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Automotive News

Detroit, September 14, 1981

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Domestic stocks slashed to orderly 64-day supply

By Richard A. Wright
Assistant Managing Editor

Armed with factory rebates, sweetened finance deals and an assortment of special price packages, new-car dealers hacked away almost 200,000 units during August from the domestic new-car inventory which had been growing ominously for several months.

The result was a sharp decline in the cleanup stockpile to a 64-day supply Sept. 1 from a record 87½-day level on Aug. 1.

The domestic new-car inventory totaled 1,485,692 on Sept. 1, down substantially from 1,675,192 a month earlier. A year ago, the industry had 1,336,295 new cars in stock Sept. 1, a 69-day supply.

The multi-faceted sales effort transformed in a single month a blossoming burden of new cars into an orderly cleanup stock.

Approximately 519,000 of the 1,485,692 vehicles in stock as September opened were 1982 models.

Most of the inventory reduction during August was accomplished by General Motors, which opened September with a 60-day supply, down from 89 days a month earlier, by slashing its million-plus stockpile down to 882,000.

Ford Motor Co. had a 75-day supply Sept. 1, down from an 83-day stockpile on Aug. 1.

Combining a healthy cut in its unit count with an even healthier gain in its daily sales rate, Chrysler Corp. cut its stock from a 90-day supply to a 62-day stock Sept. 1.

Table on Page 57.

American Motors had a 79½-day supply Sept. 1, up from a 66-day stock, in part because short stocks of Concord held the lid on the selling rate. Volkswagen of America had a 76-day supply of U. S.-built Rabbits Sept. 1, down from 94 days.

The Sept. 1 domestic inventory was divided this day: GM, 59.65 percent; Ford Motor Co., 23.71 percent; Chrysler Corp., 11.61 percent; VWoA, 3.01 percent, and AMC, 2.02 percent.

A month earlier, the inventory was divided as follows: GM, 62.09 percent; Ford Motor Co., 20.77 percent; Chrysler Corp., 12.11 percent; VWoA, 3.12 percent, and AMC, 1.91 percent.

By size class, all segments were down in terms of days supply. The industry had a 66-day supply of subcompacts, down from 83 days a month earlier, and a 67-day supply of compacts, down from 93 days.

It had a 63-day stock of intermediates, down from 95 days, a 50-day supply of standards, down from 73 days, and a 56-day supply of luxury cars, off from 87½ days.

The Sept. 1 inventory was divided this way by size segment: Subcompact, 25.58 percent; compact, 31.08 percent; intermediate, 26.92 percent; standard, 10.93 percent, and luxury, 5.49 percent.

A month earlier, the inventory was divided as follows: Subcompact, 22.34 percent; compact, 30.55 percent; intermediate, 28.45 percent; standard, 12.39 percent, and luxury, 6.27 percent.

• The Sept. 1 days-supply figures by market class were:

Subcompact — Chevette, 37½; J-2000, 47; T-1000, 53½; Cavalier, 56; Escort, 73; Omni, 76; Rabbit, 76; Horizon, 85½; Spirit, 90; Lynx, 92; LN7, 99, and EXP, 154.

Compact — Camaro, 47; Reliant, 51; Firebird, 54; Aires, 57; Fairmont, 58; Concord, 63; Omega, 66; Skylark, 72; Capri, 74; Zephyr, 81; Mustang, 92; Eagle, 93; Citation, 110, and Phoenix, 111.

Intermediate — LeBaron, 31; Cutlass, 46; Supreme, 48½; Diplomat, 51; XR-7, 60; Century, 62; Grand Prix, 63; Regal, 66; Malibu, 67; Bonneville/LeMans, 67; Cougar, 73; Monte Carlo, 74½; Cordoba, 76½; Granada, 81; Thunderbird, 83, and Mirada, 92.

Standard — Gran Fury, 12; Olds 88, 28; Mercury, 38; Olds 98, 42; Pontiac, 46; St. Regis, 49; LeSabre, 53½; Ford, 55; Chrysler, 58; Chevrolet, 67, and Electra, 78.

Luxury — Toronado, 34½; Riviera, 36; Corvette, 44; Lincoln, 55; Cadillac, 56; Eldorado, 64; Cimarron, 75; Imperial, 78; Mark VI, 82, and Seville, 102½.

Special issue to mark GM's 75th anniversary

In commemoration of General Motors' diamond year, Automotive News will publish a special General Motors 75th Anniversary Issue on Friday, Sept. 16, 1983, official anniversary of the corporation's founding in 1908.

In announcing the special edition, Keith E. Crain, publisher and editorial director of Automotive News, said, "As an automotive company, GM helped change life in the Western world. As an industrial company, it has touched the lives of all Americans since the early part of the century."

Crain added: "Our goal is to present an overview of GM that's never been seen before in a business publication."

Roger B. Smith, chairman of GM, said, "Obviously, I'm delighted you think that General Motors merits an anniversary issue, and I trust you'll find enough to write about."

Overall theme of the special issue will be 75 years of GM history, although it will take a many-faceted look at the company's past, present and future.

Fully illustrated with photographs and artwork, the issue will pay particular attention to the far-ranging aspects of GM as an industrial enterprise, and how the company has conducted its business over three-quarters of a century.

According to Crain, editorial content will include interesting and perhaps long-forgotten aspects of GM's rich heritage — "its people, products and operations, and insights into events that have contributed to GM's impact on the U. S. and the world."

Automotive News is setting up a special editorial operation for the vast, two-year project, in which staff members and additional editorial specialists will participate. They will be under the direction of Al Fleming. The publication also will enlist the cooperation of GM and its divisions in providing access to historical information and materials.

"We believe this very special project will contribute a meaningful perspective not only to the history of General Motors, but to that of the entire industry," Crain said.

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Japanese luxury

Nissan rebodies Skyline series

The Nissan Skyline, one of the better-selling large cars in Japan, has been rebodied with a crisp wedge shape and deep side windows. Wheelbase is 103 inches and overall length is 181 inches. Skyline is not sold in the U. S. Story, other pictures on Page 6.

Two-door Honda Civic spectacular winner in 35-MPH crash tests

By Helen Kahn
Washington Bureau Chief

WASHINGTON.—The 2-door 1981 Honda Civic has come out with spectacular results from continuing high-speed NHTSA crash tests, while the Toyota Starlet and the top-of-the-line, passive-belted Cressida did not.

Neither did the 1981 Audi 5000 nor the 1981 VW Jetta, both of which exceeded head injury criteria for both driver and front-seat passenger dummies. The Renault 18i also showed bad head results.

But a passenger in the 1981 Honda 4-door version of the Civic also did not fare nearly as well as in the 2-door version, where the belts are fastened further back. And the passenger dummy in the Ford EXP was clobbered.

In a separate development, the 1979 Volvo which earlier had some miserable results, sailed through with flying colors when NHTSA shortened the belts eight inches.

NHTSA Administrator Raymond A. Peck now has under consideration running multiple tests as a check on the repeatability of the test procedure. Auto makers have questioned results of the controversial 35-MPH tests started by his predecessor, Joan Claybrook, and included in her controversial best seller, The Car Book.

The test procedure is the same used for compliance with standards 208, 212, and 219 as well as 301, except that the test speed used is 30 MPH. (Testing at 35 MPH is about 36 percent tougher than at the lower speed, but it means that those cars which failed at 35 MPH and had passive belts — the Cressida and the Jetta — will have to be retested at 30 MPH for a compliance failure and possible civil penalties.)

• The problem with multiple testing is that the results may reflect either weaknesses in the procedure or merely variations among production models — a manufacture problem of quality control. Moreover, multiple testing is so expensive it also means fewer models can be tested.

In addition, there would always be arguments over what are minor variances expected of any even very good procedures and what is major—especially around those injury criteria set in concrete for compliance purposes.

The test is the same one challenged when the auto makers first took NHTSA unsuccessfully to court over air bags and which was remanded for repeatability many years ago.

Since that time, the dummies used are General Motors developments and the question of repeatability was not raised in any substantial way by the manufacturers until cars started to fail the high-speed tests.

The new test results were obtained by Automotive News under the Freedom of Information Act. But Peck had every in-

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breaking news

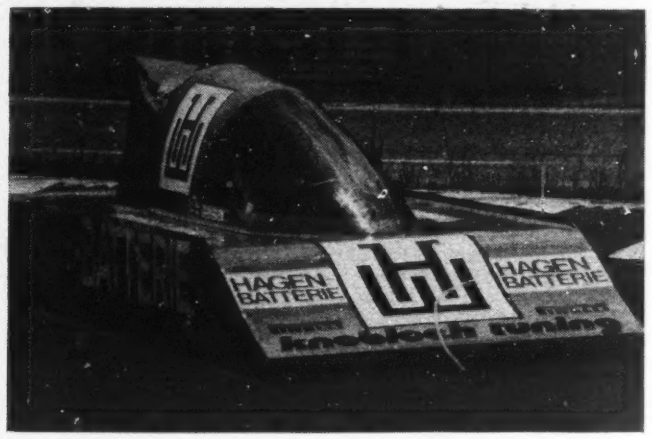
Page elected to Ford board

DEARBORN.—Thomas C. Page, 61, has been elected a director of Ford Motor Co. Page, a 29-year veteran at Ford, is currently executive vice president of the company's Diversified Products Operations. He previously had served in International and North American Automotive positions both here and abroad. He was elected a vice president in 1975.

No manual shift for '82 Corvette

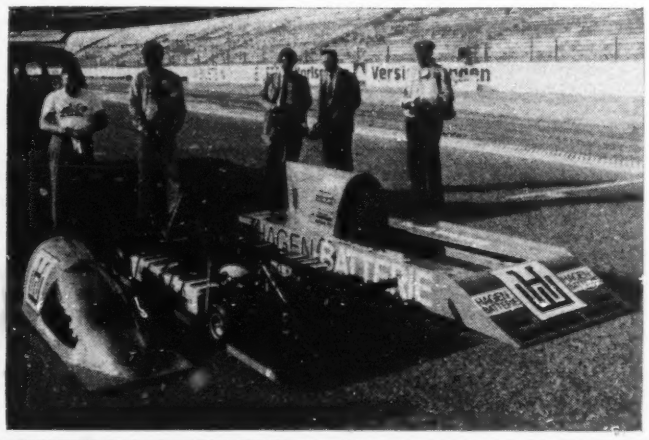
DETROIT.—The 1982 Chevrolet Corvette will be available with the new General Motors four-speed automatic transmission replacing the three-speed automatic. No manual transmission will be offered because the car with that equipment failed to pass government emission tests. The '82 Corvette will be the first since the '54 to be automatic only.

See BREAKING NEWS, Page 8, Col. 1



Hagen-Elobil is a speed demon

The Hagen-Elobil, developed by W. Knobloch, Kassel, West Germany, holds the world speed record for electric-powered vehicles. It is fitted with Hagen-sprint batteries from Wilhelm Hagen AG, Kassel. The record is 158.9 kilometers per hour. The Hagen-Elobil accelerated to 99.7 kilometers per hour in one kilometer.



Program retroactive to first '82 shipments

Chrysler offers help on floor-plan

By Edward Lapham
Financial Editor

Chrysler Corp., following a pattern established by General Motors and Ford, has instituted a "1982 model year supplemental floor-plan assistance" program retroactive to initial '82 model shipments.

The plan was announced in a letter to Chrysler dealers from John B. Naughton, sales and marketing executive vice president. It includes all domestic and imported cars and trucks.

Like the other plans, the Chrysler plan was termed "insurance" against high floor-plan interest rates.

Chrysler emphasized to dealers that its floor-plan assistance program "is much simpler to understand than competition's programs and does not affect either your 3 percent holdback or the existing 15 days free floor-plan currently received."

Like the other floor-plan assistance programs, Chrysler's includes a charge. It is $100 for cars and $105 for trucks, which was included in the tentative wholesale prices announced earlier.

In addition to the normal 15 days of free floor-planning, the supplemental program provides for a payment to the dealer of 10 percentage points of interest per day, up to 75 days for cars and 100 days for trucks.

The payment to the dealer will be made 30 days after the company receives the new-vehicle delivery report. The program will be reviewed every 90 days.

By way of an example, Chrysler said that an average car with an $8,000 invoice floor-planned for the maximum 90 days of "coverage" would receive 15 days free, worth $75, plus 75 days at $2.24 insurance per day (one-tenth the current floor-plan rate), worth $168, for a total of 90 days protection and $243 value of interest-rate protection. This total of $243 less the $100 invoice charge and the regular 15-day $75 value leaves real savings to the dealer of $68.

In another example, again of an $8,000 invoice, in inventory for 50 days, the dealer receives the $75 value for 15 free days plus 35 days protection at $2.24 per day for $78 in additional protection and a total of $153. That total less the $100 invoice charge and the normal $75 15-day value means a real cost of $22 to the dealer.

Raphael Cohen, executive vice president of the Independent Dealers Committee Dedicated to Action, agreed that the Chrysler plan is simpler than the GM and Ford plans but said it is the "kind of assistance" dealers "can well live without."

"These are not floor-plan assistance programs," Cohen said, "They are additional monies the factory is adding to the invoice which gives them the additional funds to use free for 30 days."

Cohen also said the program will "further erode profit". for dealers with "sold" orders or who turn over inventory quickly.

Naughton's letter said the purpose of the program is not only to give dealers relief from high interest charges but also to enable dealers "to stock vehicles in sufficient quantities" to offer potential customers "a wide selection."

"We believe that dealers who take advantage of this program will be able to carry an inventory of new vehicles that will help them increase their sales and profits during the 1982 model year," Naughton said.

Despite the difference of opinion over the real value of the program to Chrysler's dealers, two points were clear: While the program won't work any miracle with cash flow, it won't hurt cash flow. The program also may make it easier for the factory to convince dealers to build inventory, which will directly improve factory profitability.

Two ex-officials of Lada sentenced in parts fraud

TORONTO. — Two ex-managers of Lada Cars of Canada pleaded guilty in Ontario Provincal Court here to charges of accepting secret commissions through parts sales to their former employer.

John Dill, former vice president and general manager of Lada, and Bob Clifford, former Lada national service manager, were sentenced by Provincal Judge P. B. Parker to 60-day jail terms and ordered to pay $9,250 each in damages to Lada Cars of Canada.

Other charges of fraud, conspiracy and robbery stemming from the parts scam were withdrawn by the crown.

The managers were fired by Lada Cars of Canada and charges filed last November after it was discovered they had been purchasing plastic fender liners for Lada automobiles from the Quebec manufacturer, then selling them to Lada Cars of Canada through a secret company they had founded.

Dill and Clifford entered guilty pleas after a third man charged in the scheme, Bertrand Boisvert, an ex-Lada dealer in Montreal, pleaded guilty to accepting secret commissions. Boisvert was ordered to pay Lada Cars of Canada $18,500 in damages but received no jail sentence.

Data is inadequate, VW study finds

Emission rules called too strict

By Helen Kahn
Washington Bureau Chief

WASHINGTON. — Auto emission standards are far stricter than needed for air quality, according to an analysis of the last decade's major air quality studies done for Volkswagen of America by Environmental Research and Technology, Inc.

In fact, the CO standard — currently 3.4 gpm — could be somewhere between 9.0 and 15 gpm, and it would be enough for all cities to reach the needed ambient air quality level, the study concluded.

Moreover, 2.0 gpm for NOx—the level sought by the auto makers and endorsed by the new EPA — is adequate, the study found. Decreasing NOx too much will actually increase oxident levels in some situations, it said.

Even more surprising is the finding that the HC emission level for vehicles could rise from the current 0.41 gpm (which even the auto makers accept) to 1.0 gpm as far as ozone is concerned. But even if HC were lowered to zero, some U. S. cities would still not meet the ambient air quality level for ozone, the study said.

ERT scientists who reported these remarkable results are Indur M. Goklany, formerly the chief technical person at the National Commission on Air Quality; Alan C. Lloyd, formerly at the Statewide Air Pollution Research Center, University of California at Riverside, and once a visiting scientist at the Commerce Department, and Fred Lurmann, who has had specific experience in Santa Barbara, Calif., along with Eric Stork as a senior consultant. Stork was in charge of EPA's vehicles emissions program from 1970 to 1980.

The ERT conclusions derive from what was essentially a literature study — 11 major and 3 minor studies — that estimated the impact of vehicular emissions on ambient carbon monoxide, nitrogen dioxide and ozone.

Most used the "rollback" technique — assuming a linear relationship between rates of emissions and ambient levels.

While this is appropriate for nonreactive pollutants, it is less so for reactive ones because it ignores atmospheric chemistry and physics. Thus, for example, the finding for CO — nonreactive — is probably firm.

But NOx is reactive and influences both nitrogen dioxide and ozone levels. ERT's analysis said none of the studies was good enough to show exactly what level of NOx control for vehicles is needed to reach the adequate ambient level.

All studies except one tended to underestimate the impact of lower mobile-source NOx on nitrogen dioxide levels, the scien-

Continued on Page 57, Col. 1

Toronto Automobile Centre opens

The Toronto Automobile Centre, new home of four dealerships and future home of more if all goes according to plan, is officially opened with a ribbon-cutting ceremony by, from left: Roy Poss, president, Roy Poss Pontiac-Buick, Ltd.; James R. Rinehart, president, General Motors of Canada Ltd.; F. Alan Smith, GM executive vice president, finance; Richard M. Colcomb, general manager, GM of Canada, and Noel Croxon, president, North York Chevrolet-Oldsmobile.

Dealer can refuse to refund deposit if buyer reneges

INWOOD, N. Y.—A state appellate court, in a two-to-one decision, upheld the right of a dealer to refuse to refund a deposit on a new car when the customer cancels the sales contract.

The court found that Mickey Kaiserman, of North Woodmere, N. Y., was not entitled to the refund of the $1,000 deposit he placed with Martin J. Ain, Ltd., a Jaguar-Rover-Triumph dealer here.

The court reversed a decision in the small claims section of the district court and said dealers are entitled to recover loss of profit when a customer cancels the contract.

This particular sales contract contained a liquidated damages clause which provided for 20 percent of the purchase price in damages against which the deposit was to be credited, according to court papers.

The court said no one has found the 20 percent damages unreasonable and since the deposit did not reach this level, the customer was not entitled to restitution.

The court also found that under recent decisions, a dealer is entitled to recover his loss of profit.

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57th year — No. 4880

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Data is inadequate, VW study finds

Emission rules called too strict

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tists said. Literature so far shows no difference between 1.0 gpm — the current level — and 2.0 gpm — the one being asked by makers, they said.

As for reactive HC, ERT said little confidence can be placed in any of the studies because the data from smokestacks (the largest component) is poor, and atmospheric chemistry — which was ignored in the studies — is of "critical importance."

Even so, the studies indicate that even if the standard were changed one hundred percent in either direction, there would be only a negligible impact on ambient ozone. Further, a shift from a total-HC standard to a nonreactive-HC standard would make no perceptible difference in ozone levels.

Whatever happens to HC, there would still be a few areas with ozone problems, ERT concluded.

The last 10 years of studies, ERT found, are not really good enough for a clear choice among various standards. But the scientists speculated that if the studies were repeated using better data and better modeling techniques, HC levels could be more than doubled, CO could be tripled or quadrupled and NOx could be doubled.

• In short, this means that controlling these emissions is not cost effective. The scientists recommended a number of new studies.

(Among the papers studied was one used by the Senate Public Words Subcommittee in writing the original standards for automobiles. Not surprisingly, ERT found its methodology "seriously flawed" — a point which the auto companies through former Senator Robert Griffin, Michigan Republican, pointed out at the time of passage of the 1970 act. Nonetheless, ERT called the effort "pioneering" in its attempts.

Although the ERT paper is only an analysis of existing and inadequate studies and not a recommendation for change, it is expected to be taken seriously. It may influence Congressional decisions about new standards.

Even though the findings suggest much looser control of automobile emissions, control would still have to exist. An EPA study in the '70's showed emissions from an uncontrolled vehicle equal approximately 8.7 gpm HC/87 gpm CO/3.5 gpm NOx.

What would it mean if standards were changed to 1 HC/9 CO or 15 CO/2 NOx instead of the current 0.41 HC/3.4 CO/1 NOx or the 0.41 HC/7 CO/2 NOx asked by the auto makers?

One expert in the field said that 1/9 or 15/2 could do away with electronic feedback control, the three-way catalyst, the air pump and a complex EGR although still proportional.

The oxidizing catalyst would stay, he said, because it would cost too much in fuel economy to retard spark as much as would be needed. (General Motors went across the board to an oxidizing catalyst in 1975 when the standards were 1.5/15/3.1. Ford and Chrysler followed as they could because of fuel savings.)

But another expert felt that with the advanced state of electronics, companies could scrub all catalysts.

NEW-CAR STOCKS

	Sept. 1, 1981	Aug. 1, 1981	Sept.1, 1980
Spirit	90	117	91
Concord	63	37	85
Eagle	93	124	106
AMERICAN MTS.	79½	66	91
Horizon	85½	93	72
Reliant	51	89	—
Gran Fury	12	30½	33
Plymouth	62	90	76
Imperial	78	123	—
LeBaron	31	55	112
Cordoba	76½	79	142
Chrysler	58	63	93
Chrysler	50	62	119
Omni	76	111	72
Aries	57	100½	—
Diplomat	51	45	145
Mirada	92	92½	154
St. Regis	49	76	50
Dodge	64	97	92
CHRYSLER CORP.	62	90	91
Escort	73	78	—
EXP	154	—	—
Mustang	92	100	74
Fairmont	58	92	94
Granada	81	110	70
Thunderbird	83	112	81
Ford	55	66	52
Ford	76	84	81
Lynx	92	80	—
LN7	99	—	—
Capri	74	91	93
Zephyr	81	77	109
Cougar/Monarch	73	74	85
XR-7	60	98	77
Mercury	38	58	58
Mercury	74	78	83
Lincoln	55	95	51
Mark VI	82	109	60
Lincoln	66	104	56
FORD MOTOR CO.	75	83	81
Skylark	72	93	44
Century	62	68½	60
Regal	66	116	57
LeSabre	53½	72½	62½
Electra	78	79	62
Riviera	36	79	47
Buick	64	91½	55
Cimarron	75	58	—
Seville	102½	141	88
Cadillac	56	86	46
Eldorado	64	100	46
Cadillac	59	89	52
Chevette	37½	84	74
Cavalier/Monza	56	87½	50
Citation	110	100	47
Camaro	47	88½	61½
Malibu	67	89	77
Monte Carlo	74½	130	68
Chevrolet	67	93	84
Corvette	44	80	61
Chevrolet	65	91	66
Omega	66	107	42
Cutlass	46	66	61
Supreme	48½	90	47
Olds 88	28	57	43
Olds 98	42	54	54
Toronado	34½	81	48
Oldsmobile	45	76½	50
T-1000	53½	83	—
J-2000/Sunbird	47	87	49½
Phoenix	111	135	52
Firebird	54	85	69
Bonneville/LeMans	67	102½	96½
Grand Prix	63	124	80
Pontiac	46	86	61½
Pontiac	61	98	64½
GENERAL MOTORS	60	89	60
VOLKSWAGEN	76	113	45
TOTAL	64	87½	69

New Buick dealership in Denver

Buick Division and dealership officials joined for the groundbreaking of a new dealership in Denver for Kerr Buick, Inc. From left are: Joe Jennings, Denver zone manager; J. D. Duffy, Buick general sales manager; David R. Kerr Jr., Kerr Buick; W. E. Edgar, Buick assistant general sales manager-West, and David G. Kerr, the dealer's son.

Materials tower shows role of steel in autos

CHICAGO. — An "ultra-compact car," in the form of a eight-foot tower of materials in modern automobiles, has been added to the steel exhibit at the Chicago Museum of Science and Industry.

The tower dramatizes the variety of materials in today's autos and highlights the importance of steel for strength, safety and styling.

Steel accounts for 60 percent of the materials in the typical car, whether a six-passenger, full-size model or a two-passenger subcompact.

Current models weighing 2,400 pounds use about 1,440 pounds of steel, which is more than all other materials combined. By contrast, less than 200 pounds each of aluminum and plastics are used in these models, according to the American Iron & Steel Institute.

California 'lemon bill' moved to back burner

SACRAMENTO.—The so-called "lemon bill" introduced by Los Angeles Democrat Assemblywoman Sally Tanner to "protect California buyers of new automobiles" has been lobbied by the state's new-car dealer associations onto the Legislature's back burners.

Committee hearings scheduled to act on the Tanner proposal adjourned before even bringing up the "lemon bill" without amendments. The measure thus will be held over until Jan. 1 when the second half of this legislative session is scheduled to begin.

Boost appears smallest for Big Three

Ford price hike averages $430

Continued from Page 2

$2 less than last year's $6,421. The Mercury Zephyr Z-7 coupe is $6,319, up $8.

The base Ford Escort and Mercury Lynx models are up $360. Prices are $5,518 for Escort and $5,559 for Lynx. The Escort L two-door hatchback is $6,046, up $297. Ford noted that the Escort L is more than $900 less than the lowest-priced Chevrolet Cavalier subcompact J-car. Equipment variations are a major factor, however.

Ford said it was holding the line on the sporty Escort EXP and Lynx LN7 "except for equipment upgrades." The EXP is $7,387, up $134, and the LN7 is $7,787, up $37.

An example of the equipment additions is the Mustang two-door notchback, designated GL for '82. New standard features include left-hand remote rearview mirror, black window frames, sport steering wheel, black rocker-panel molding, interior accent group, accent paint stripes and turbine wheel covers.

The '82 price is $6,844, up $481 from '81, but Ford said the extra equipment accounted for $330 of that amount.

The increases are greater on Ford Motor's larger cars than on the smaller ones, in keeping with Benton's comments on limiting its hikes in the "particularly price-sensitive segments of the market."

Thunderbird has a sticker of $8,492, up $560 from the 1981 tag of $7,916, and the Mercury Marquis four-door sedan is $8,674, up $564.

In the luxury segment, the Lincoln four-door sedan is $16,100, up $1,115 from the final 1981 sticker, and the Mark VI two-door is $19,452, up $1,513. Ford said that additional standard equipment accounted for $228 of the increase on the Lincoln and $451 of the increase on the Mark VI.

As announced earlier, the new Continental from Lincoln-Mercury will have a sticker price of $21,302.

A few examples of hikes on optional equipment for 1982 are: Air conditioning for Granada, $676, up $52; power steering for Fairmont and Granada, $195, up $15, and power brakes for Mustang, $93, up $6.

Police endorse full-size cars

FARMINGTON, Conn.—Some 25 police officers of this Hartford suburb, nearly all of them off-duty, attended a special session of the Town Council to endorse acquisition of six new large-size cruisers for the Police Department.

The councilmen unanimously approved purchase of the Ford LTDs from Stephen Ford, Bristol, Conn., for $47,167, the price including tradein value for six cruisers in use.

Police Chief LeRoy Bangham said he prefers the larger cars because their mileage is as good or better than mid-size cars and because a cruiser, considered to be an office-on-wheels, should be comfortable.

Court overturns FTC ruling in Francis Ford repo case

Continued from Page 2

would create a national interpretation of the Uniform Commercial Code," the court said.

"Under these circumstances, the FTC has exceeded its authority by proceeding to create a new law by adjudication rather than by rulemaking."

NADA President Wendell H. Miller hailed the court decision as a "significant victory" for dealers and some "good news" at a time when dealers are being pressed on all sides by high interest rates and slow sales.

No doubt it also pleases the NADA because — unlike Ford Motor Co. and its financing subsidiary and General Motors and its financing subsidiary, plus one GM dealer who all settled with FTC early in the case—NADA and Francis Ford saw the matter through.

Under the consent agreements reached between the FTC and Ford and GM, the companies are required only to attempt to impose on dealers a formula that does not allow a charge for indirect expenses.

Chrysler and its credit company were also party to the case but action against them has been suspended since December, 1978.

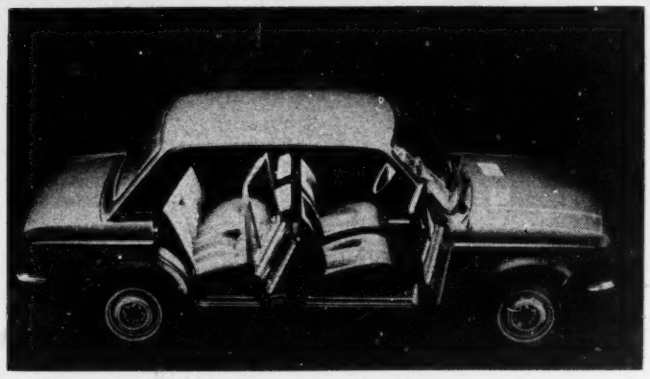
NADA intervened in the Francis Ford case and related cases against the auto companies to oppose the FTC's attempt to impose the new accounting system for repossessions.

NADA's Legal Defense Fund gave Francis Ford a large amount of financial support in its appeal and submitted a "friend of the court" brief on behalf of all NADA members. The court relied heavily on NADA's arguments in overturning the FTC order.

The court decision is not yet final and the FTC may seek a rehearing before the entire panel of the Ninth Circuit. Because the decision has wide implications for all federal agencies, there is a strong likelihood the FTC may ask the Supreme Court to review the decision should its rehearing request, if one is made, be denied.

Bailey adds Peugeot

SPARTANBURG, S.C. — Vic Bailey Lincoln Mercury, Inc., has added a Peugeot franchise.



Argentina's 68-million-peso Fiat

This Argentine-produced Fiat Europa 1300, was priced at 68,839,028 pesos as of mid-August. That was up from 48,-689,230 pesos in June. With inflation running at 10 percent a month, even more astronomical price figures can be expected.

Domestics gain, imports slip; total new-car sales up 17 pct.

By Jenny L. King
Staff Writer

Domestic new-car dealers took advantage of the many incentive programs available to them and their customers during August to reduce their year-end inventories and set the stage for the '82s.

Domestic sales leaped nearly 24 percent while the imports held steady with year-ago levels and slipped to 24.85 percent of the total. It was the lowest penetration for the imports this year and was down from 28.98 percent for the month in 1980.

Domestic sales were up 23.71 percent in August, to 601,741 from 486,420 last year. Sales of imported new cars totaled 198,-984, up 0.56 percent from 197,-869 the preceding year. Combined sales reached 800,725, up 17.02 percent over 684,289.

Domestic year-to-date sales were 4,407,361, down 0.47 percent from 4,427,959 last year. Sales of new imported cars for the first eight months were up 0.14 percent, to 1,682,573 from 1,680,269. Combined year-to-date sales numbered 6,089,934, off 0.30 percent from 6,108,228.

Of the five major U. S. auto makers, the biggest—GM, Ford and Chrysler — were up substantially in August. Volkswagen of America squeezed past its year-ago sales by 0.01 percent, and American Motors was down.

General Motors sales climbed 21.70 percent, to 384,755 from 316,142 in 1980. Ford Motor Co. was up 28.07 percent, to 119,804 from 93,544. Chrysler Corp. reported a 43.45-percent sales increase, going to 72,216 from 50,-344.

VWoA sales totaled 15,183, up slightly from 15,085, and American Motors dropped 13.46 percent. to 9,783 from 11,305.

• GM earned 63.94 percent of the domestic market in August, down from 65.00 percent. Ford Motor Co. sales accounted for 19.91 percent, up from 19.23 percent. Chrysler Corp. cornered 12.00 percent, up from 10.35 percent. VWoA dropped to 2.52 percent from 3.10 percent, and AMC stood at 1.63 percent, down from 2.32 percent.

Chrysler and AMC were the only domestic makers that did meet or surpass their year-ago

Continued on Page 18, Col. 1

Where Auto Market was in August

	Total Sales	Pct. of Total
SUBCOMPACT	149,067	18.62
COMPACT	165,751	20.70
INTERMEDIATE	165,047	20.61
STANDARD	84,286	10.53
LUXURY	37,590	4.69
IMPORT	198,984	24.85
TOTAL	800,725	100.00

New AMC rebate pays $500 to Concord buyers

SOUTHFIELD, Mich.—American Motors launched a new consumer rebate on '81 Concords, paying $500. Contributions of $200 from dealers are included in that amount.

In Ohio and Texas, states that don't allow dealer-contributed rebates, AMC has lowered the amount of the Concord rebate to $300.

The rebate program runs from Sept. 4 to 23. A car must be sold and delivered by that date to qualify, putting the emphasis on out-of-stock sales, rather than orders for future vehicles.

In tandem with the rebates, the company is still offering dealer cash incentives of $100 to $450 on Spirit, Eagle SX/4 and Kammback; $300 to $600 on CJ-5, CJ-7 and Scrambler models, and $100 to $1,000 on Renault 18i.

The cash incentives on Spirit/Eagle and CJ/Scrambler models run to Sept. 23 and on R-18i to Sept. 30. This program goes back to Aug. 1, and represents no change.

AMC has repriced the '81 Le Car in line with reductions for '82 on that line.

The company is promoting its latest rebate, including incentives and price reduction of Le Car, in a special radio campaign running in the top 100 markets.

Dealer assocaitions will further promote the program in print.

Philadelphia taxi firm orders 150 Peugeots

LYNDHURST, N. J. — The Yellow Cab Assn. in Philadelphia has ordered 150 Peugeot taxis for delivery in October, according to Peugeot Motors of America.

Peugeot said there are some 900 Peugeot diesel taxis in service in New York City.

Inflation plays havoc with sales

Argentine auto industry mired down

By Megan O'Reilly
Special Correspondent

BUENOS AIRES. — Argentina's automotive industry, reeling from the impact of successive monetary devaluations which began in April, is using the crisis to overcome structural flaws in the industry.

It is pressing the government for another phase of overprotective measures.

Car sales have fallen off drastically, down 45 percent in May from April, and 20 percent in June with respect to May. Light truck sales fell 28 percent and heavy truck sales dropped 50 percent in the second quarter.

Vehicle sales—59,000 units in the second quarter, down 30 percent from the same period last year — highlight the recessionary trend.

The devaluation's impact on the automotive industry can be found mainly in the inflation which followed the successive measures, in which the peso plummeted from 3,200 against the dollar on April 2, to 7,200 pesos by the first week of June, and the corresponding increase in the cost of imported components.

• Overall economic stagnation; annual interest rates of 120 percent, which have thwarted buying on credit, and the enormous increase in the cost of imported cars have turned usually noisy dealers' showrooms into mausoleums.

Said one car importer, "Undoubtedly, one year of production in stock is a situation which requires drastic measures."

In real value terms, domestic car prices fell by 20 percent during the last year. While inflation raged at 150 percent during the period, car prices rose between 81 and 94.5 percent. This may have been responsible for high car sales in 1980 and overly high expectations for 1981, which have led to high inventories.

During the second quarter, all of the automotive manufacturers moved to reduce production and this has affected 5,000 to 10,000 auto workers in Greater Buenos Aires and in the interior city of Cordoba. These workers have lost their jobs and source of income, as Argentina has no unemployment insurance.

• However, the auto makers are operating their own private welfare system. Ford is paying its suspended personnel full wages, while Renault is paying 70 percent and handing out interest-free loans to its workers.

Industry layoffs have made the military government extremely jumpy at a time when a mass civilian movement is making progress and gaining popularity. Hence, several weeks ago, the major auto makers and auto importers were invited to breakfast with the president, General Roberto Viola, to discuss industry needs and policy.

The automotive industry, over the last two decades, has been reduced to Mercedes-Benz, which makes heavy trucks, and four passenger-car makers: Renault; Ford, which also makes light trucks; Sevel (Fiat and Peugeot), and Volkswagen, which bought out Chrysler recently, and plans to manufacture its own cars at the end of this year.

During this period, the industry has gone through three successive and equally unsuccessful policy phases: National integration in local manufacturing; overprotection (which built up the national auto parts industry), and opening up to imports since 1979, with the latter grabbing a 28-percent share of the market.

• None of these policies, however, achieved the intended result of reducing costs to worldwide levels, which industry executives have determined to be their major goal in current industry restructuring.

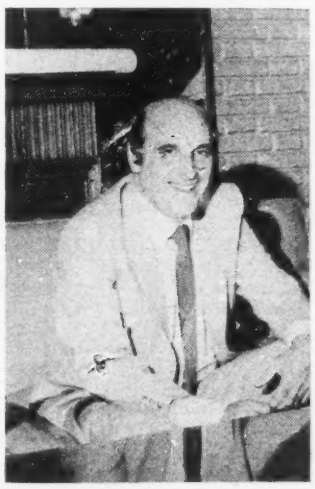
The Fiat Europa 1300 CL, an average-sized and average-priced car here, sells for 68,-839,428 pesos. That is about one-and-a-half times the average annual middle class salary of about 48 million pesos, according to reports, although hard statistics are not available from the government.

However, the imported Toyota Celica L/B-ST sells for 110,-987,254 pesos, which puts it out of reach of most consumers.

With wages and purchasing power so low, having a new car in Argentina is a luxury, and the domestic industry is betting its future—and about one billion dollars of investments through 1982 — that a lower-priced car will increase the market from its current 350,000 units annually (imports and domestics) to a minimum 500,000 units annually and climb from there.

• With this in mind, domestic industry executives handed the president a list of demands which included a definition of import taxes; subsidies and reimbursements for re-industrializing plants with new equipment; scratching a forthcoming law which establishes a national highway fund and accompanying taxes on auto sales; the adoption of measures to promote exports, and extended terms on payment of other taxes.

Argentina's auto industry is among the highest-taxed in the world, with the government taking 41 percent of the sale price of each domestic car, and 300 percent above the real value of an imported car.



No imports

Sebastian Impelluso, Toyota's general manager in Argentina and president of the importers' organization, says, "Right now we aren't importing anything."

Thus, importers, who have suffered the greatest losses since the devaluation (especially the Japanese, who are heavily investing in Argentine development projects now), are demanding that the government reduce import taxes proportionate to the devaluation and end "discrimination" based on an internal tax scaled to fuel efficiency, in which imported cars are taxed at the maximum value, while domestic cars are taxed on the car's actual fuel efficiency.

Importers also want the government to extend the term of payment on imported cars, which now sits at 180 days, an "absurdly short term," snorted one importer.

"The only way to keep domestic car prices down is through competition with imports," he said.

• The government, however, is beset by demands from the parts manufacturers, who want to have policies which restrict imported cars and components, and a law which would establish that a set percentage of each car be locally manufactured, in addition to special credits, tax benefits and financing to aid industry development.

However, importers are unlikely to be winners, as economic experts predict that the devaluation will have long and lasting effects, introducing yet another phase of industrial overprotection, reducing imports to a marginal volume in the future.

"Right now we aren't importing anything," said Toyota's Argentine general manager, Sebastian Impelluso, who also heads the Argentine Chamber of Official Auto Importers and Distributors.

"The majority of dealers are selling at a dollar valued at 3,600 pesos. If they didn't, it would be impossible to sell off stocks," he said.

• Meanwhile, with the advantage clearly to export, the government boosted the morale of local manufacturers last week, when the foreign trade ministry announced that it is studying the promotion of auto exports to Ecuador, Guatemala and African countries.

For the time being, however, local manufacturers are concentrating on price cutting, which they believe can be achieved by reducing costs and increasing production.

A modern auto industry, however, requires at least 100,000 units for each model annually, and Argentina, at present, is nowhere near that figure.

Despite the industry's newborn approach and high hopes, the paralysis which accompanies 150 percent inflation, sky-high interest rates, and economic recession continues to take its toll on auto and truck sales. And the auto industry will continue to be dependent on government aid and special concessions to achieve its objectives.

C-P deal moves

ST. LOUIS. — After 31 years in Jennings, Goddard Motor Co. (Chrysler-Plymouth) has moved to suburban Florissant. The site was previously occupied by Paddock Chrysler-Plymouth.

Total new-car market climbs 17 pct.

Domestic sales rise, imports slide

Continued from Page 4

sales levels: AMC was down 13.46 percent, Chrysler was down 41.69 percent.

Leading the gainers was Plymouth, with a 68.81-percent sales increase. It was followed by Dodge, up 56.29 percent; Mercury, up 55.49 percent; Oldsmobile, up 40.68 percent; Pontiac, up 34.48 percent, and Lincoln, up 33.35 percent.

Cadillac was up 30.96 percent, Ford was up 20.16 percent, Buick was up 18.90 percent, Chevrolet was up 8.91 percent and VWoA was up 0.01 percent.

Top domestic nameplate for the month was Chevrolet Chevette with sales of 36,169 units. It was followed by Oldsmobile Cutlass Supreme at 29,097, Chevrolet Citation at 25,218, Buick Regal at 23,102 and Plymouth Reliant at 22,438. It was the first time Reliant made its way into the top five based on a full month of sales.

The domestic daily selling rate in August was 23,144, up 23.71 percent from 18,708 last year. There were 26 selling days both years.

• Import sales in August were a mixed bag. Top-seller Toyota was up 3.78 percent from 1980, while number-two Datsun was down 2.88 percent and third-place Honda was down 6.26 percent. Fourteen of the makes were up from their year-ago levels, 12 were down.

The European-built imports remained strong, with Volvo and Peugeot reporting record sales in August. Chrysler's four Mitsubishi makes were up, Volkswagen imports were up and Mercedes-Benz was down less than one percent — its first sales drop since February.

Considering the stiff competition offered by rebates, low-interest rates and special prices on so many of the U. S. makes, the fact the imports stayed at their year-ago level attests to their continuing popularity.

Although imports slipped to 24.85 percent of the market in August, they still accounted for the largest segment of the total. U. S. subcompacts were 18.62 percent of all sales, compacts were 20.70 percent, intermediates were 20.61 percent, standards were 10.53 percent and luxury models were 4.69 percent.

Of the domestics alone, 24.77 percent were subcompact, 27.54 percent were compacts, 27.43 percent were intermediates, 14.01 percent were standards and 6.25 percent were luxury cars.

Third-period domestic sales were up 25.66 percent, to 245,608 from 195,454 last year. The daily selling rate for the final 10 days in August was a healthy 27,290, up 25.66 percent from 21,717. There were nine selling days both years. This was the strongest 10-day selling rate since mid-March when it was 36,233.

Sales were up each period in August, and promise to continue at least as long as the domestic auto makers continue their sales incentives programs.

DOMESTIC CAR SALES

	Aug. 21 to Aug.31, 1981	Same Period, 1980	August, 1981	Same Month, 1980	Jan. 1 to Aug. 31, 1981	Same Period, 1980
Spirit	.....	.....	2,958	4,285	25,470	36,450
Concord	.....	.....	4,191	4,567	43,237	43,270
Pacer	.....	.....	.....	103	111	1,883
Eagle	.....	.....	2,634	2,350	28,761	18,939
AMERICAN MOTORS*	4,000†	3,700†	9,783	11,305	97,579	100,542
Horizon	2,320	3,147	5,637	7,540	57,261	51,184
TC3	2,273	2,099	5,463	5,197	39,882	40,172
Reliant	10,670	.....	22,438	.....	134,186	.....
Volare	127	2,703	334	6,296	6,839	57,076
Plymouth	210	287	328	1,227	7,742	12,236
Total Plymouth	15,600	8,236	34,200	20,260	245,910	160,668
LeBaron	1,624	1,999	3,665	4,577	32,839	41,992
Cordoba	609	1,282	1,609	3,155	18,289	30,718
Chrysler	104	745	313	1,850	8,476	21,374
Total Chrysler	2,337	4,026	5,587	9,582	59,604	94,084
Total Imperial	167	.....	386	.....	3,669	.....
Omni	2,041	2,455	4,900	5,823	41,550	41,177
024	2,854	1,778	6,658	4,498	37,151	34,273
Aries	8,214	.....	16,909	.....	109,477	.....
Aspen	90	1,932	265	4,616	6,034	43,289
Diplomat	564	914	2,099	2,151	21,046	21,716
Mirada/Magnum	388	820	973	1,944	10,813	19,162
Dodge	99	512	239	1,470	5,187	14,230
Total Dodge	14,250	8,411	32,043	20,502	222,258	173,847
CHRYSLER CORP.	32,354	20,673	72,216	50,344	531,441	428,599
Pinto	.....	5,928	.....	13,460	10,037	108,420
EXP	2,214	.....	6,082	.....	35,257	.....
Escort	9,155	.....	21,393	.....	205,016	.....
Mustang	4,788	6,330	11,585	16,103	113,860	164,105
Fairmont	10,761	5,578	19,290	15,377	134,540	199,663
Granada	4,739	2,723	9,453	6,520	69,590	54,674
LTD II	.....	66	.....	302	.....	3,012
Thunderbird	2,792	3,264	6,856	8,763	51,272	95,574
Ford	3,718	3,109	9,903	9,850	80,085	104,742
Ford Division	38,167	26,998	84,562	70,375	699,657	730,190
Bobcat	.....	1,137	.....	2,434	2,169	20,511
LN7	1,142	.....	2,873	.....	11,932	.....
Lynx	2,772	.....	6,801	.....	66,247	.....
Zephyr	1,730	1,810	3,772	4,535	37,969	55,726
Cougar/Monarch	1,426	674	3,726	1,651	29,404	18,911
XR-7	1,523	1,315	3,852	3,502	21,376	38,348
Capri	1,859	1,662	4,442	3,982	35,416	44,132
Mercury	2,005	1,403	5,062	3,530	34,281	35,648
Total Mercury	12,607	8,001	30,528	19,634	238,794	213,276
Versailles	.....	85	.....	243	.....	3,694
Lincoln	1,024	567	2,447	1,578	20,050	19,788
Mark VI	936	605	2,267	1,714	21,285	22,941
Total Lincoln	1,960	1,257	4,714	3,535	41,335	46,423
L-M Division	14,567	9,258	35,242	23,169	280,129	259,699
FORD MOTOR	52,734	36,256	119,804	93,544	979,786	989,889
Skyhawk	.....	68	.....	242	.....	4,923
Skylark	7,102	6,350	18,923	14,168	139,691	115,285
Century	2,370	4,496	8,793	10,537	90,596	95,520
Regal	8,577	7,417	23,102	17,094	144,521	125,839
Le Sabre	2,910	3,098	7,728	7,373	52,738	61,406
Electra	1,668	1,936	4,873	4,824	35,358	38,521
Riviera	1,850	1,385	5,094	3,382	31,819	27,064
Buick Division	25,077	24,750	68,513	57,620	494,723	468,558
Cimarron	981	.....	2,453	.....	6,333	.....
Seville	637	783	1,491	1,966	15,001	22,221
Cadillac	4,581	3,356	11,285	9,196	91,164	83,997
Eldorado	2,000	1,504	4,485	3,892	34,686	32,425
Cadillac Division	8,199	5,643	19,714	15,054	147,184	138,643
Chevette	14,337	13,181	36,169	29,110	266,578	259,224
Cavalier/Monza	6,133	6,164	14,605	14,105	42,880	102,586
Citation/Nova	10,388	11,211	25,218	28,872	215,022	263,770
Camaro	3,988	4,170	11,205	10,074	79,219	84,423
Malibu	7,017	7,829	18,572	19,807	158,625	178,591
Monte Carlo	6,964	5,154	17,372	12,677	114,840	106,252
Chevrolet	8,801	7,223	20,811	17,723	140,516	185,746
Corvette	1,134	1,210	3,331	2,867	22,331	24,522
Chevrolet Division	58,762	56,142	147,283	135,235	1,040,011	1,205,114
Starfire	.....	67	.....	180	.....	5,005
Omega	4,578	2,494	11,824	6,644	78,649	59,125
Cutlass	5,196	5,822	14,540	14,492	139,478	139,064
Supreme	10,855	8,331	29,097	21,154	191,632	175,180
Olds 88	6,268	3,752	17,782	10,342	113,186	102,393
Olds 98	2,006	1,449	6,225	3,939	53,077	45,055
Toronto	1,586	1,083	4,351	2,757	26,667	24,910
Oldsmobile Division	30,489	22,998	83,719	59,508	602,689	550,732
T-1000	4,100	.....	9,686	.....	35,779	.....
J-2000/Sunbird	4,511	5,299	10,759	12,870	50,837	89,772
Phoenix	2,919	2,994	6,954	8,162	59,908	66,427
Firebird	2,160	2,392	5,767	6,321	43,578	61,127
LeMans	2,617	1,793	6,470	4,819	51,674	51,688
Grand Prix	6,045	3,435	14,868	9,001	92,656	73,290
Pontiac	4,116	2,698	11,022	7,552	67,227	73,309
Pontiac Division	26,468	18,611	65,526	48,725	401,659	415,613
GENERAL MOTORS	148,995	128,144	384,755	316,142	2,686,266	2,778,660
VOLKSWAGEN	7,525	6,681	15,183	15,085	112,289	130,269
DOMESTIC TOTAL	245,608	195,454	601,741	486,420	4,407,361	4,427,959
IMPORT TOTAL	.....	.....	198,984	197,869	1,682,573	1,680,269
INDUSTRY TOTAL	.....	.....	800,725	684,289	6,089,934	6,108,228

*—AMC does not have a nameplate breakout for 10-day periods.
†—Estimate.

Proctor plaque

Rexford Proctor, right, owner of Proctor Chevrolet, Findley Lake, N. Y., receives his 25-year dealer plaque award from Donald D. Campbell, Buffalo zone manager.

GMAC promotes Barrett

NEW YORK. — Jack R. Barrett Jr. has been promoted to control branch manager of the General Motors Acceptance Corp. office in Nashville. Barrett had been a member of the staff administration department in the company's headquarters here.

Mitsubishi hires California firm to design auto logo

PLAYA DEL REY, Calif. — Mitsubishi Motors continues paving the way for its future automotive marketing efforts and a separate distribution system with the selection of a logo designer.

Robert Miles Runyan & Associates here was commissioned to create a new corporate logo or trademark for the Automotive Division of Mitsubishi.

Robert Runyan, president of the agency, said he was contracted for the work by officials in Japan. He will make presentations of the new logo to officials there in mid October.

Runyan had no idea of Mitsubishi's plans, but said, "It's only the automotive division I'm working for . . . I have to make the assumption the (logo) will have to do with whatever their plans are in the U. S."

Normally, the design of such corporate logos, which can involve several thousand drawings, costs from $25,000 to $100,000, Runyan said. He did not reveal how much his fee from the Japanese car and truck importer would run.

Jerome-Duncan's 25th

Ford dealer Richard J. Duncan, left, receives a plaque honoring the 25th anniversary of Jerome-Duncan, Inc., Sterling Heights, Mich., from C. S. (Bud) Kortier, sales manager of Ford Division's Detroit district.

IMPORTED CAR SALES

	Aug., 1981	Aug., 1980	Jan. 1-Aug. 31, 1981	Jan. 1-Aug. 31, 1980
Alfa Romeo	244	298	1,458	2,415
Audi	4,782	3,481	34,667	28,402
BMW	4,165	3,335	28,883	24,554
Challenger	1,474	1,134	9,029	9,661
Champ	4,846	3,805	29,540	43,383
Colt	4,772	3,312	29,841	39,501
Datsun	39,288	40,452	329,836	376,993
DeLorean	229	.....	529	.....
Ferrari	57	76	633	504
Fiat	3,159	2,382	25,221	27,324
Fiesta	1,560	6,141	32,856	48,066
Honda	29,415	31,378	262,919	251,518
Isuzu	2,209	.....	11,747	.....
Jaguar	469	242	2,926	1,890
Lancia	99	136	804	1,543
Mazda	11,812	12,928	118,679	101,984
Mercedes-Benz	4,595	4,630	42,940	35,643
MG	276	2,267	3,269	9,419
Peugeot	1,892	1,049	11,740	8,794
Porsche	840	878	7,584	7,566
Renault	2,213	2,316	20,854	16,965
Rover	56	33	556	149
Saab	1,135	1,239	9,579	9,312
Sapporo	1,770	962	9,703	7,713
Subaru	13,797	11,887	105,774	94,678
Toyota	49,688	47,878	427,371	422,752
Triumph	718	2,735	8,544	10,465
Volkswagen	7,821	7,405	60,452	60,028
Volvo	5,603	5,490	49,639	39,047
TOTAL	198,984	197,869	1,682,573	1,680,269

U. S. CAR SALES BY MARKETING UNITS

	Aug., 1981	Aug., 1980	8 mos., 1981	8 mos., 1980
Chevrolet	147,283	135,235	1,040,011	1,205,114
Ford	86,122	76,516	732,513	778,256
Oldsmobile	83,719	59,508	602,689	550,732
Buick	68,513	57,620	494,723	468,558
Toyota	49,688	47,878	427,371	422,752
Pontiac	65,526	48,725	401,659	415,613
Datsun	39,288	40,452	329,836	376,993
Honda	29,415	31,378	262,919	251,518
Mercury	30,528	19,634	238,794	213,276
Plymouth	40,816	25,027	285,153	211,764
Dodge	38,289	24,948	286,076	223,009
VW of America	28,626	26,849	214,992	226,265
Cadillac	19,714	15,054	147,184	138,643
Mazda	11,812	12,928	118,679	101,984
Chrysler	5,973	9,582	63,273	94,084
AMC-Renault	11,996	13,621	118,433	117,507
Subaru	13,797	11,887	105,774	94,678
Lincoln	4,714	3,535	41,335	46,423
Mercedes-Benz	4,595	4,630	42,940	35,643
Volvo	5,603	5,490	49,639	39,047
BMW	4,165	3,335	28,883	24,554
Fiat	3,315	2,594	26,658	29,371
Isuzu	2,209	.....	11,747	.....
JRT Inc.	1,519	5,277	15,295	21,923
Peugeot	1,892	1,049	11,740	8,794
Saab	1,135	1,239	9,579	9,312
Alfa Romeo	244	298	1,458	2,415
DeLorean	229	.....	529	.....
TOTAL	800,725	684,289	6,089,934	6,108,228

Ford sales include Fiesta; VWoA includes VW and Porsche-Audi; Plymouth includes Champ and Sapporo; Dodge includes Colt and Challenger; Fiat includes Lancia and Ferrari.

Service contracts overlooked . . .

By Marc Stern
Staff Correspondent

The pressure for profitability has never been greater on the auto dealer. With interest rates holding at alltime highs, slow car sales and a profit margin that has stayed the same over the last few years, even though car prices have risen, a dealer has to look to every possible source of increasing revenue and profit.

Dealers have had to maximize the rate of return from their service and parts departments and have generally had to streamline their operations to keep profits up and the operation in business.

Try as they may, though, many dealers have still been unable to cope and have been forced out of business. Yet, one area of business that could possibly help dealers increase their profitability, service contracts, seems to have been overlooked by many.

Granted, this is not a subject without its share of controversy, but, with the proper precautions a dealer stands to make extra point-of-sale profit with very little effort.

"Look at the new-car (dealership) profit picture, it's interesting that F & I income contributes 25 percent, while new cars contribute 23 percent and the risk is greater," said Jerry Farrar, president of the recently founded General Warranty Corp., based in Marina del Ray, Calif.

With this picture in mind, he said that areas such as service contracts can contribute a great deal "at every little increase in overhead."

The reason the overhead increase is low is because a dealer already has the personnel on his staff or at hand and it can be made part of a new-car closing.

Of all dealer profit potentials, Farrar asserted, "service contracts lead the way. They have consumer acceptance and they impact the dealer in four profit areas — new cars, used cars, parts and service."

With new cars, he said, the dealer has the chance of generating plus profits; on used cars, one with a service contract becomes more valuable because that contract can be transferred; also on used cars, those that have been tended according to the contract are also in good mechanical shape and worth more, and the dealer also has the chance of a contract on that used vehicle.

On parts and service, Farrar said, the customer has to bring his car back to the dealership for further work and the dealer is paid at retail for the service and parts.

• Farrar is experienced in the service contract business. He was a co-founder of the Los Angeles-based American Warranty Corp. and served as its president until his controversial departure from that firm in March. He then formed General Warranty.

With his experience in this business, he is able to make some observations on how contracts can help a dealer and he had this to add on how there could be a further profit for a dealer:

"With dealer followup programs, the dealer retains the customer for service work and there is also the possibility of selling him his next new car." So, there are many potentials in a properly administered service contract program.

Depending on how a dealer positions the program, industry observers acknowledged, a dealer stands to make between 40 and 70 percent of gross on the service contract.

Jere Maudsley, recently appointed president of American Warranty, put this into figures: "Although you can't put this into retail rates, on the standard core program, it's (gross profit) 40 percent of the core rate of $300. The dealer makes $120."

On sales of 1,000 cars per year, a dealer can put an extra $120,000 into his pocket, he emphasized.

Both service contract executives were quite frank in acknowledging the failures and troubles that have plagued the service contract industry over the last couple of years. They both acknowledged the black marks those failures have put on the industry, too.

"It's the thing about this business," said Maudsley, "it's subject to people getting in and making quick bucks. But there are others who have been in business for a long time and I think they're going to be around."

Said Farrar: "This is a dynamic industry and sales will hit $800 million in 1982 and between 1982 and 1986 will hit $3 billion. But the industry will go through a shakeout. It's typical of a fast-growth industry" such as service contracts.

At present, there are 250 independent regional and national companies writing service policies and Farrar expects that number to drop. Of course, the factory-sponsored programs will survive and he expects the current "Big Three" independents — American, Minnihoma and General — to survive this shakeout.

However, for the dealer it's a confusing situation. And both executives had caveats for dealers who are considering adding service contracts. They and other observers agreed on all the essential points.

First, a dealer should look for a company backed by an insurance company, one that is backed also by the particular state's insurance department.

Second, a dealer should also look at the administrator of the program quite closely. This look should include closely checking into the track record and reputation of the administrator.

The key point, though, is the financial condition of the company. A dealer should look at not only the profitability of the company, but also its financial reserves. This will ensure that the company has enough money to cover its policies in force.

• At this time, American Warwanty is the largest independent with nearly 800,000 policies in force. It is about the same size as the General Motors Continuous Protection Plan, but smaller than the 1.5 million-policy-issued Ford program.

Once the dealer has established with whom he would like to do business, Maudsley had this advice: Look into the company's references. Check with any state organizations and then ask for some third-party references and check with those references.

One last warning comes from Farrar who advises dealers to avoid programs with a structured service contract program involving stop-loss. Dealers should consider only fully insured programs. "This means a dealer will receive first dealer benefits," he emphasized.

Both executives and other knowledgeable observers agreed there is a great deal of profit potential in this field.

It is estimated that only 12 percent of car owners are now buying service contracts. However, this figure is likely to rise, observers note, especially as people decide to keep their cars longer. And as cars age, they tend to break down more often and require more repairs.

This fact alone can be one of the selling points during a new-car sale. It can be pointed out, both Farrar and Maudsley said, that the service contract is a bargain as a percentage of the car's sale price.

Comparing this situation to the appliance industry, both observed that a service contract may run as much as 25 percent of the price of the item, while an automotive service contract makes up only 5 or 6 percent. This percentage they expect, is likely to remain flat over the next few years, an attractive selling point.

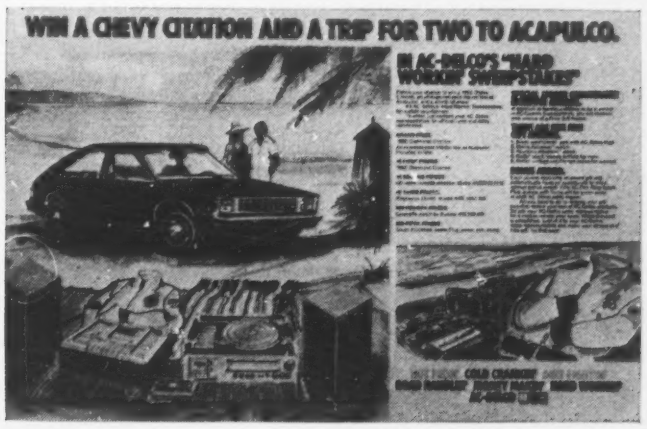
Maudsely believes the auto

Continued on Page E-38, Col. 1

Estimates of size of Service Contract Industry

Year	Total Unit Sales	Average Selling Price	Industry Sales (dollars)	Independently Administered Programs (a) Pct. of Market	Independently Administered Programs (a) Unit Sales
1976	250,000	$220	$ 55 million	95%	238,000
1977	450,000	240	108 million	90%	405,000
1978	650,000	270	175 million	90%	585,000
1979	1,200,000	300	315 million	65%	780,000
1980	1,700,000	340	578 million	50%	850,000
1981	1,900,000	380	722 million	45%	855,000
1982	2,400,000	410	1.1 billion	40%	960,000
1983	3,200,000	430	1.5 billion	45%	1,440,000
1984	4,000,000	450	1.8 billion	50%	2,000,000
1985	4,600,000	480	2.2 billion	52%	2,400,000
1986	5,200,000	510	2.7 billion	55%	2,900,000

Source: Jerry R. Farrar, president, General Warranty Corp., July, 1981.
(a) Independently administered programs are non-manufacturer programs.



A trip to Acapulco and a new Chevrolet Citation are the grand prize in AC-Delco's 'Hard-workin' " sweepsakes for jobber/counter sales people. There will be drawings for more than 1,000 prizes, worth $200,000. GM employes and immediate families are excluded from the contest which ends Jan. 8.

. . . but it's a big, growing industry

By Marc Stern
Staff Correspondent

The service contract industry is fairly young and unregulated. It had its birth in the late 1960s as the auto makers moved away from their extended warranties plans and began supplying limited coverage.

It is also a fast-growth industry. According to a recent study of the industry, it has been estimated that from 1976 to 1986, sales of contracts would grow from 250,000 to 5.2 million. Industry sales in 1976 were $55 million, while in 1986 it is estimated they will rise to $2.7 billion. Private insurer penetration, though, is likely to drop, the study estimates.

In 1976, private insurers had 95 percent of the market to themselves. However, this is expected to shrink to 55 percent by 1986.

The average price of a policy is expected to climb to about $510 by 1986, but the percentage of the total price of a vehicle is expected to remain rather flat in the 5 to 6 percent range.

Growth in this industry has been marked by both success and dramatic failures and has been marked by different types of service contracts.

There are basically three types of coverage. First is the factory-backed program, where the factory offers coverage for a specified period. These programs can range from a 12-month/12,000-mile plan, to the 5-year/50,000-mile plan. Longer plans tend to come under a factory's special service contract coverage.

The second type of program is the self-administered plan that is both run and financed by the dealership itself. Thus, the dealership bears all the risks.

The third type of program is the insurance-backed program, such as those run by American Warranty Corp. and General Warranty Corp.

In these, the dealer acts as the middleman in providing the customer with the opportunity to purchase the insurance. The general agent and his insurance company then bear all the risk.

• A dealer considering any type of insurance or warranty program, should also be familiar with the Magnuson-Moss Act and its implications on implied and full warranties and the requirements of the act.

There are different forms of coverage in service contracts, too. One is mechanical breakdown insurance, which is a policy of insurance between both the insurance company and the insurer, according to background information supplied by American Warranty.

This type of protection eliminates the dealer's liability in connection with implied warranties of fitness and merchantability. But, there are several faults which limit its acceptability, the material claims. Specifically, the problems of licensing, diminished return and excessive state regulation are cited.

A service contract, on the other hand, provides higher compensation levels and can be sold without licensing requirements because it is considered a collateral sale in connection with the sale of the automobile.

The final form of extended coverage is the limited extended warranty. This type of insurance must be made available to all vehicles purchased as opposed to a consumer option and the price must not be disclosed.

"In other words," American Warranty says, "it cannot be added as an option."

One note on the self-administered plan: Both General Warranty and American Warranty note that banks are making it increasingly difficult for a dealer to begin one.

And there are other considerations, too. There are the possible tax consequences, the possibility of future loss of revenue and holder-in-due course regulations.

Also, dealers might be subject to mingling the money generated by the insurance program with regular dealer funds. Also, with the high interest rates, many banks have been rejecting self-administered programs and have demanded that, in order to approve financing, service contracts must be backed by insurance.

The service contract industry is one marked with both potential profits and pitfalls. It is one that looks as if it has barely been tapped. And, with the proper safeguards, it looks like one that can be highly profitable for the dealer.

Dealers overlooking profit in service contracts

Continued from Page E-4

industry, as a whole, has only touched on the surface of the service-contract phenomenon.

"The market is not even tapped with only 10 to 12 percent of the buyers," he said." If consumers were exposed to it at the time of the sale, they would buy."

He said that dealers should point out the many benefiits that can come from a service contract.

"Show him he can buy 'major medical insurance' for his car for only $275 with only a $25 deductible," he said. Compare this with the rapidly accelerating cost of repairs to help convince the customer.

Farrar pointed to the added value of the vehicle at the time of a tradein, saying it can add as much as $200 or $300 to the value. This can also prove attractive to a customer because of the built-in value is also adds to the car.

But who would sell this type of contract — the salesman, the finance and insurance manager or a specialist? Farrar has some very definite ideas about this.

First, he believes that everyone on a dealer's staff should have a knowledge of the service contract plan the dealer offers. This is so a salesperson can talk intelligently with a potential customer about the benefits of the contract.

Once the deal heads toward closing, the emphasis should shift to a specialist in the service contract field. This could be either a specially trained manager of a representative of the contract's general agent in the area.

Farrar urged dealers to make use of this feature. This way a dealer can add a specialist, more or less, to his staff, but doesn't have to worry about the extra expense of another employe. This specialist can talk with the customer in depth about the advantages of a service contract. If the specialist is to be on the staff, the F & I man can handle it, too, at closing.

• The very nature of the service contract business makes it advantageous to the car dealer. Granted, these entrepreneurs— Farrar and Maudsely — are trying to sell their own particular lines of service insurance, but, as are most companies in this business, theirs are set up along similar lines.

Generally, the way the business works is that a company will set up a liaison with a major insurer and act as the general agent. The insuring companies usually guarantee that the policies will be paid.

The general agent then sets up a network of subsidiary agents across the country, whose job is to work with the dealers that have signed up for the program.

The dealer's job is to act as the middleman, signing up the clients for the service contract agent. The dealer reaps the profit of that deal and subsequent deals and he knows he is going to be paid at retail rates. He also knows that service contract customers will be returning at specified intervals for routine service and so he gains profit from this work, too.

It's the general agent, his representatives and their insurer that take the risk in this.

In reality, this scenario doesn't always work out. It is fair to say that while there are many attractive parts to these plans, there is also the possibility a service contract supplier can go out of business, as happened with North American Dealers Group.

According to reports, when this happened, some dealers thought they had valid contracts, but those contracts were never submitted to the insurer. The insurer, for its part, has tried to honor the contracts it has.

This is the crux of the controversy in the service contract market. Failures have been dramatic and have touched many dealers.

In fact, to try and bring more credibility to the industry, American Warranty recently chose to take over responsibility for the 16,500 extended service contracts that were issued by Warranty Management Corp. of Florida. Warranty Management had earlier gone into receivership.

Paying out $220,000 in claims, Maudsely, at the time of the liability takeover said, "The failure of Warranty Management could have severely affected the whole image of the extended vehicle service contract industry. As a responsible company within this industry, we decided to assume the outstanding liabilities in order to reduce the impact of this failure.

"We realized at the time if consumers were left with scraps of paper that mean absolutely nothing to them, the industry would suffer a tremendous setback. On the other hand, we also felt if a . . . company like American Warranty were to step in and prove the industry was secure, we could bolster confidence at the consumer level with new cars. So we decided to go ahead."

Not altogether an altruistic act, this move was apparently made to help protect the image of an industry that had been tarnished by failures over the last several years.

Neither American Warranty nor General Warranty are lightweights in this industry.

American, which was launched in 1974, became a wholly owned subsidiary of United Equitable Corp. in 1976. United Equitable now has assets in excess of $80 million. American has 6,000 dealers signed up for its program and is available in 46 states.

General, on the other hand, is the "new kid on the block." Formed earlier this year by Farrar, it has the insurance backing of Imperial Insurance, a subsidiary of Standard Oil of Indiana, a $20 billion company.

A slow, controlled growth had been planned, but dealer interest has been such that it has moved its expansion timetable ahead. And, as a result, it has been moving quickly around the country establishing its agents network.

Dealer interest has been such, Farrar said, that upwards of 200 California dealers signed on with General in the first 30 days the firm was in business.

William J. Wink Jr., right, owner of Wink Chevrolet Co., Dearborn, receives Chevrolet's 25-year dealer award from Richard P. Loughman, Chevrolet's Detroit zone manager.

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Aftermarket, factory radio makers battle for big autosound market

By Marjorie Sorge

Aftermarket and factory radio manufacturers continue to do battle for the $1.3 billion a year autosound market, with Detroit still winning the way.

Aftermarket manufacturers have charged factories with using aggressive promotional and marketing programs and techniques that tie radio sales to new cars.

In 1979, the Custom Automotive Sound Assn. (CASA) filed a lawsuit against General Motors, charging that standard radios in cars violated antitrust laws. The suit, settled out of court, required GM to make radios delete options in nine models. That expanded to 13 with introduction of J-cars and the Pontiac T-1000.

CASA also filed lawsuits against Toyota and Volkswagen, while Chrysler Corp. and Subaru voluntarily changed their radio standardization status. Ford Motor Co., American Honda Motor Co. and American Isuzu Motor Co. also offer radios as delete options.

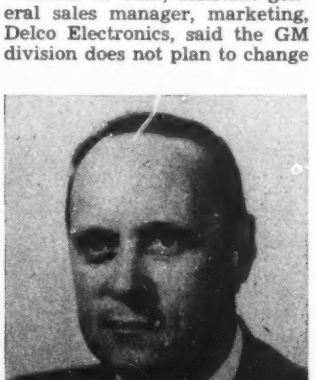
Jack Doyle, president, Pioneer Electronics of America,

Jack Doyle: CASA helps keep the market steady.

said CASA has helped the aftermarket industry by keeping the market steady, although its share of sales remains the same as it was before the lawsuits. He said without CASA, the market would have shifted the other way.

The aftermarket is most worried about GM's tough advertising push, which it characterized as "well planned" and "reaching an enormous audience through a very effective print and radio advertising campaign."

James E. Cain, assistant general sales manager, marketing, Delco Electronics, said the GM division does not plan to change its advertising campaign for the 1982 model year. He said the 1981 campaign proved successful and sales are improving.



James E. Cain: No advertising changes for GM radios.

• The 1981 program differentiated car sound from home sound and was used for both print and radio campaigns. According to Cain, it is directed at the high end of the product line and the 18-45 age group.

He said the CASA decision requiring delete options did not affect Delco sales and they are "as good as they have been in years and will accelerate."

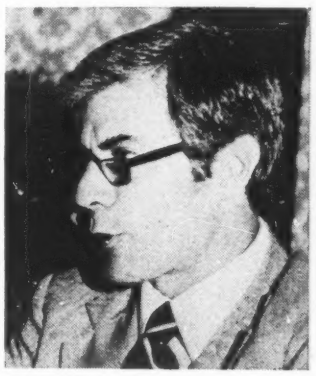
A study by the aftermarket seems to back up Cain's forecast. It said GM had radios installed in 89.7 percent of its cars in the 1980 model year; Ford, 73.5 percent; Chrysler, 75.5 percent, and AMC/Renault, 74.7 percent, giving the domestic industry 85.2 percent factory installation. Imports had factory-installed radios in 44 percent of their vehicles in the 1980 model year.

In 1971 model year, GM had 98.3 percent installation; Ford, 100 percent; Chrysler, 92.4 percent, and AMC 60.8 percent, giving the domestic industry 96.3 percent factory installation.

By 1976 the trend had changed. GM was installing radios in only 85 percent of its vehicles; Ford, 72.7 percent; Chrysler, 89.5 percent and AMC, 73.4 percent. Total domestic factory installation was 81.8 percent.

Once again, however, the trend is reversing and more cars are leaving dealerships with factory-installed radios. The study said if the move continues, 94 percent of the domestic cars and 87 percent of the imports will have factory installed equipment by 1990.

To counter the move, some aftermarketers will have to present a more professional image and introduce more sophisticated sales techniques, according to Ned Grant, Texas-Oklahoma Auto Sound. He said one problem is that some dealers don't believe in the viability of aftermarket companies "due to the type of products and abuses of some, which have tarnished the industry's reputation in the eyes of some dealers."



Ned Grant: Aftermarket needs more professional image.

• Original-equipment manufacturers also have upgraded their equipment over the past five or six years and are making it more difficult for the aftermarket to sell to automobile dealers.

"Detroit has shown by introduction of the new J-body radios that it is attempting to upgrade the quality of factory sound systems, because the auto makers recognize the profitability of sound equipment sales and are aware that the industry represents over $1 billion in value to them," Grant said.

"Profits that accrue to the manufacturer through accessory sales represent a significant amount of money to vehicle manufacturers, which Detroit does not intend to relinquish."

He said Detroit's desire to retain its market results in dealer coercion, and allocation threats employed by some field personnel to influence dealers to purchase factory sound equipment. OEM manufacturers emphatically deny this.

Grant said lower factory-pricing also can entice new-car dealers to purchase factory equipment.

GM's new J-car radio is causing a great deal of commotion among aftermarket manufacturers, who say its size presents challenges to the custom sector of the market.

"GM has reduced the radio chassis size by approximately one-third compared with its other radios, and the new equipment is designed to mount in any number of configurations," said John Badiali, Audiovox Corp.

John Badiali: Fitting radios in J-cars a challenge.

"The most formidable challenge faces the retail aftermarket which must fit existing radios to the new J-bodies. On the average, existing aftermarket chassis protrude from the dashboard by about 2½ inches and in some cases by 3½ inches including the knobs. We don't know whether consumers will accept the appearance of existing aftermarket radios on the new cars."

Cain said the J-car radio will be used in other future models. That means the aftermarket will have to retool to design a radio to fit the J-bodies, because 12 new models are expected to be introduced this fall with the new radio design.

According to some reports, by 1983 or 1984, 100 percent of GM's vehicles will use the J-body radio design.

David Robin: J-car may improve aftermarket sales.

In the near term, Badiali said, a new supply of kit materials will be needed to accommodate existing equipment on the J-cars. Retail suppliers also may find those materials necessary.

"Without careful attention to installation, existing aftermarket radios may experience inferior sound reproduction because of the design of the front dash speakers included in the J-body cars," Badiali said, emphasizing that the new radios will put demands on the installation sector of the market. Also, materials installed in certain models could inhibit high-frequency speaker performance, reducing performance of coaxial and triaxial aftermarket speakers.

While some aftermarket manufacturers see the J-car as an in-road to improved sales, others, such as David Robin, Jensen Sound Laboratories, see it as presenting the kind of competition the aftermarket had not experienced before.

Robin said that throughout the OEM industry it is difficult for the aftermarket to exercise delete-option policies, often because dealers and customers are not aware of the possibility.

Also, he said, because it is easier to finance an entire package, radio and car, customers may favor factory radios.

Since the OEM manufacturers seem to have the upper hand with their advertising campaigns, CASA has decided to counter their media attack with ads of its own.

According to Cheryl Hollins, CASA executive director, the organization is looking for a public relations firm to help with the ad campaign. She said

Continued on Page E-22, Col. 3

Judy Steele, center, Jim Weston Pontiac-GMC, Inc., Gresham, Ore., has been named honorary president of Pontiac's Northwest Zone Sales Guild Silver Chapter, and is presented an award for her achievement as a top performing zone salesperson in 1980. With her are, from left: Dave Kleine, Pontiac district manager; Bob Hawley, Pontiac's Northwest zone assistant manager, and Larry Poe and Don Forni, sales managers for the dealership.

FACTORY INSTALLED AUDIO EQUIPMENT

	1971 MODEL YEAR						1976 MODEL YEAR					
	AM	AM/FM MONO	AM/FM STEREO	RADIO/ TAPE	RADIO CB	TOTAL %	AM	AM/FM MONO	AM/FM STEREO	RADIO/ TAPE	RADIO CB	TOTAL %
General Motors	75.6%	10.1%	-	12.6%	-	98.3%	38.8%	15.4%	16.5%	14.3%	-	85.0%
Ford Motor Co.	79.6%	17.7%	-	2.7%	-	100 %	43.9%	2.9%	16.1%	9.8%	-	72.7%
Chrysler	84.6%	1.4%	-	6.4%	-	92.4%	51.6%	17.0%	6.0%	14.9%	-	89.5%
AMC	58.4%	1.8%	-	.6%	-	60.8%	58.0%	-	12.8%	2.6%	-	73.4%
Total Domestic Industry	77.5%	10.6%	-	8.2%	-	96.3%	42.4%	11.7%	14.9%	12.8%	-	81.8%
	1980 MODEL YEAR						1990 MODEL YEAR					
General Motors	37.2%	12.2%	23.7%	14.7%	1.9%	89.7%	-	-	-	-	-	-
Ford Motor Co.	34.3%	6.7%	18.5%	11.6%	2.4%	73.5%	-	-	-	-	-	-
Chrysler	29.8%	23.0%	16.8%	5.4%	.5%	75.5%	-	-	-	-	-	-
AMC	47.2%	-	21.3%	2.8%	3.4%	74.7%	-	-	-	-	-	-
Total Domestic Industry	36.1%	12.6%	21.8%	12.6%	2.1%	85.2%	20.0%	4.0%	40.0%	23.0%	7.0%	94.0%
Imports	8.5%	3.8%	26.5%	5.2%	-	44.0%	17.0%	12.0%	43.0%	20.0%	5.0%	87.0%

Source: Custom Automotive Sound Assn.

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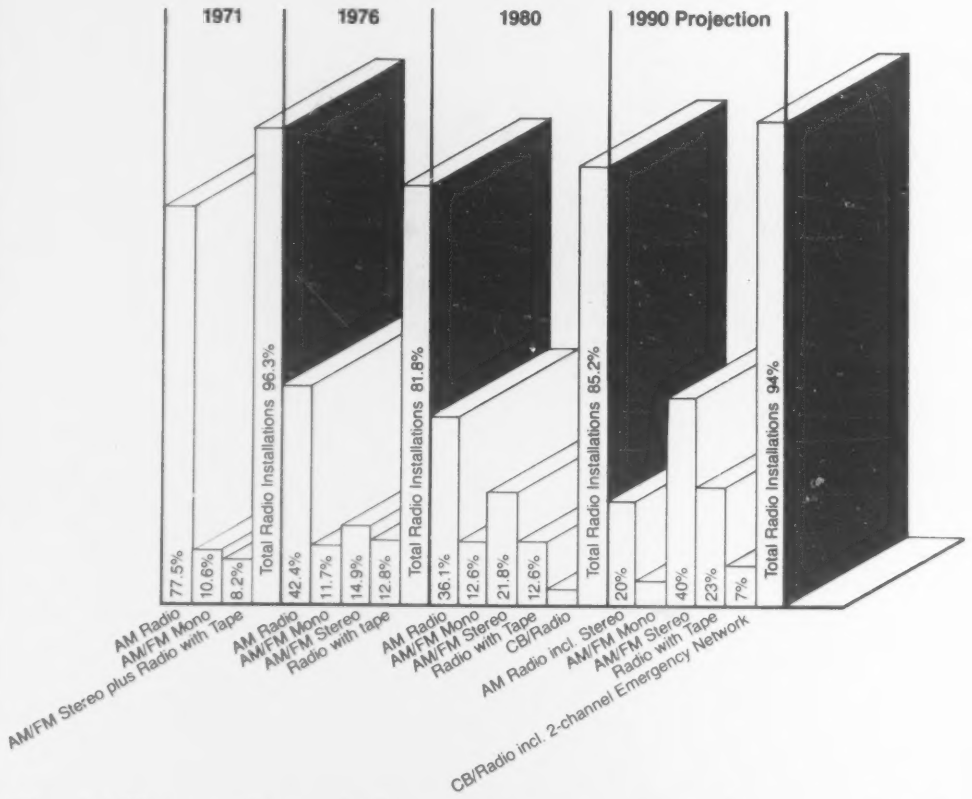


Battling for big autosound market

Continued from Page E-16

it will include drop-in ads for use in aftermarket manufacturers' ads which refer to delete-option possibilities. Those ads will be available sometime in the 1982 model year, she said.

Also being considered are CASA ads pushing delete options which would appear in major consumer and trade magazines and newspapers. These ads may or may not be part of the '82 campaign.

In addition, CASA is making an effort to inform members of the consumer press about delete options and what they mean to consumers. The program is underway and Hollins said it will pick up speed as the model year progresses.

"We want to get the idea to the consumer that they have the choice of equipment to match their tastes," she said.

• The battle between the aftermarket and factories is not limited to GM. Ford Motor Co. also has developed new techniques to improve its radio market.

While most of Ford's 1982 programs are awaiting official approval, Don Duncan, planning manager, Electrical and Electronics Division, said the company has set up a new exchange plan for its dealers.

Ford is working with a distributor, General Mobil Electronics, Los Angeles, which sells factory radios to its local Ford dealers. According to Duncan, it gives dealers flexibility if they exxchange a radio when customers change their minds or the wrong radio is ordered. He said using the distributors is solely for the purpose of changing a radio, not for distribution of all factory equipment.

"The bottom line is to offer the dealer greater flexibility and service to match the aftermarket," he said.

One complaint by dealers over the years has been that it takes longer to get a replacement radio from the factory, than from aftermarket retail shops.

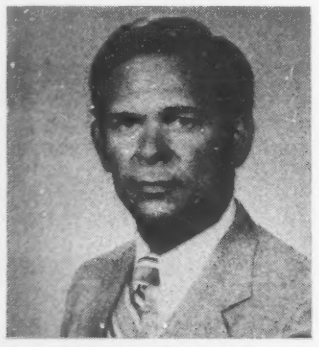
Dealers trading radios through the distributor will pay a slight premium, Duncan said.

GM introduced a similar program about three years ago, called Sound Selling.

Ford may increase the program after test results are in, Duncan said. Future programs would be used in high-volume vehicle markets with substantial radio installation rates, he said.

Ford also is using incentive programs, giving prizes to dealers who improve their radio sales. Duncan said he hopes to continue this program in 1982, but plans are not yet firm. There already is a 10 percent year-to-date improvement in car radio sales, he said.

Cheryl Hollins: CASA will begin an ad campaign.



Don Duncan: Ford has new exchange plan.

Beuhrig backs replica of original Cord he designed

LARGO, Fla. — Southeastern Replicars, Inc., announced that Gordon Beuhrig, designer of the 1936 and 1937 810 and 812 Cord autos, has been signed as an associate for a low-volume edition of Cord replicas.

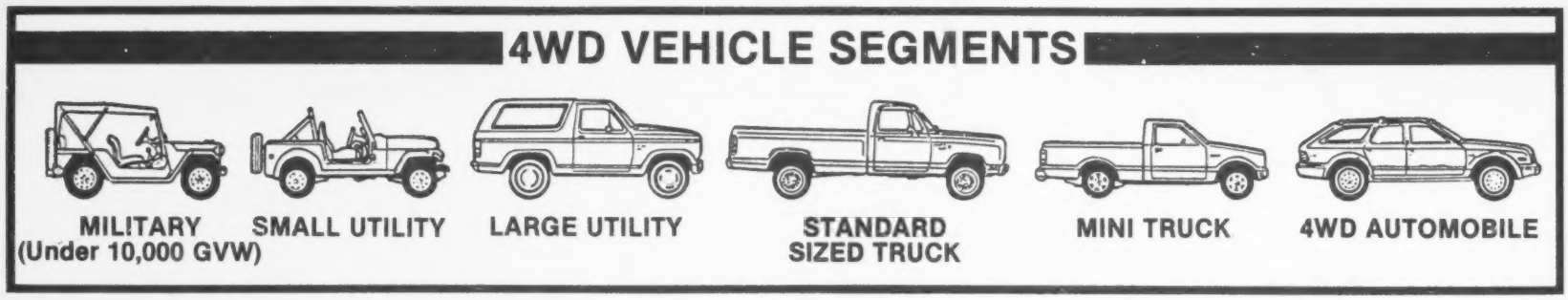
Each Gordon Beuhrig Signature Series Cord 815 SE Replica is to include an engraved dashboard plaque with Beuhrig's signature, the owner's name and vehicle serial number.

Annual production of the fiberglass-bodied convertible is anticipated to be 24 units. Retail price is $65,000, including automatic transmission, power accessories, air conditioning, full instrumentation and Connelley leather interior.

Buehrig is considered to be the father of the 1935-36 Auburn Boattail Speedster and is credited with more than half the classic-era Duesenberg body designs.

The SAE recently included him among the 30 most influential men in automotive history. He lives in Grosse Pointe, Mich.

Southeastern Replicars is a major producer of Auburn Speedster replicas. It introduced its 815 SE Replica in September, 1980, inspired by the 1937 Cord 812. It is powered by a 350-CID Oldsmobile engine.



Can 4WD market get unstuck, return to profit highroad?

The evolution of four-wheel-drive (4WD) goes back to the early part of the century when unpaved roads generated the need for traction. The newly invented automobiles churned those early streets into seas of mud whenever there was moisture in the ground.

Like those early cars stuck up to their axles in mud, modern 4WD vehicles have been spinning their wheels since 1978, when petroleum prices turned the U. S. market to mush.

From a world production peak of 1.44 million 4WD vehicles in 1978 (including about 1.0 million units built in the U. S.), annual volume has dropped to approximately 1.1 million units worldwide. The entire decline is in the U. S. market, since sales outside the U. S. have increased the past three years.

What about the future of 4WD?

Roy C. Lunn, vice president of product engineering for American Motors, considered that question at this year's Automotive News World Congress.

His qualifications to tackle the subject are considerable. Since joining AMC in 1971, he's been responsible for substantial innovation of the company's product lines, particularly three important new vehicles: Jeep Cherokee and CJ-7 models in the 1970s and the Eagle, first U. S.-produced 4WD automobile, introduced in the '80 model year.

"Where's the market going?" mused Lunn. There is no single 4WD market, he said, but it is comprised of segments — military, small utility, large utility, standard-size truck, mini-truck and automobile.

• The military segment, with its many unique requirements, has played a major role in the evolution of 4WD and will continue to be a major user.

"However, it's likely that strategic vehicles will become more complex and specialized," Lunn said, "While general transport vehicles may become derivatives of commercially available models. Unless something terrible happens, the volume of vehicles produced for military application will remain relatively low."

The small utility vehicle will continue as a major volume segment of the non-U. S. market, although there will be some competition from mini trucks, according to Lunn: "A new segment of the downsized large utility vehicles has yet to emerge. This usage will be mainly utilitarian.

"In the U. S.," Lunn added, "there are the ongoing utilitarian applications, including snowbelt usage, and demand for a go-anywhere vehicle for recreational enjoyment is likely to continue. There will be ongoing development to make these vehicles more energy efficient."

Large utility vehicles continue to play a major role in the 4WD market, even though they originally were created in a period of different priorities: Functional capabilities were the top requirement and fuel-efficiency was secondary before the mid-1970s.

Large utility vehicles have become quite sophisticated in recent years, and have undergone weight reduction and other steps to improve fuel-efficiency.

"However, this segment will progressively be supplanted by smaller, more efficient vehicles which are more in keeping with current priorities," said Lunn. "New downsized vehicles are likely to find a wide range of acceptance both in the U. S. and elsewhere."

The standard-size truck has been the largest single volume segment of the 4WD market. Its use is essentially utilitarian in the international market and a mixture of utilitarian, recreational and general transportation in the U. S.

"These vehicles will continue to be a segment of the market, but at reduced volumes as mini-truck penetration continues," Lunn said. "The eventual residue market for standard-size trucks will be for users requiring large space and carrying capacity that these trucks provide.

"This type of truck has been the workhorse for transporting light-duty goods and equipment. Farmers, plumbers, electricians and the construction industry have been traditional users. If they can scale their payload requirements down below 1,500 pounds, they now may elect for a mini-truck," Lunn added.

Lunn: 'Volume can be substantially increased.'

Mini-trucks, mainly Japanese, are one of the new segments of the 4WD market. They are growing rapidly in popularity as a fuel-efficient alternative to larger trucks for light-utilitarian users. Although mainly imported until now, mini trucks will be produced by major U. S. companies starting with 1982 models.

• Automobiles that offer full-time 4WD capability and respond to situations automatically, are a potential key to the 4WD market's future, according to Lunn, "because their driveline principles are the basis for true multi-purpose vehicle usage."

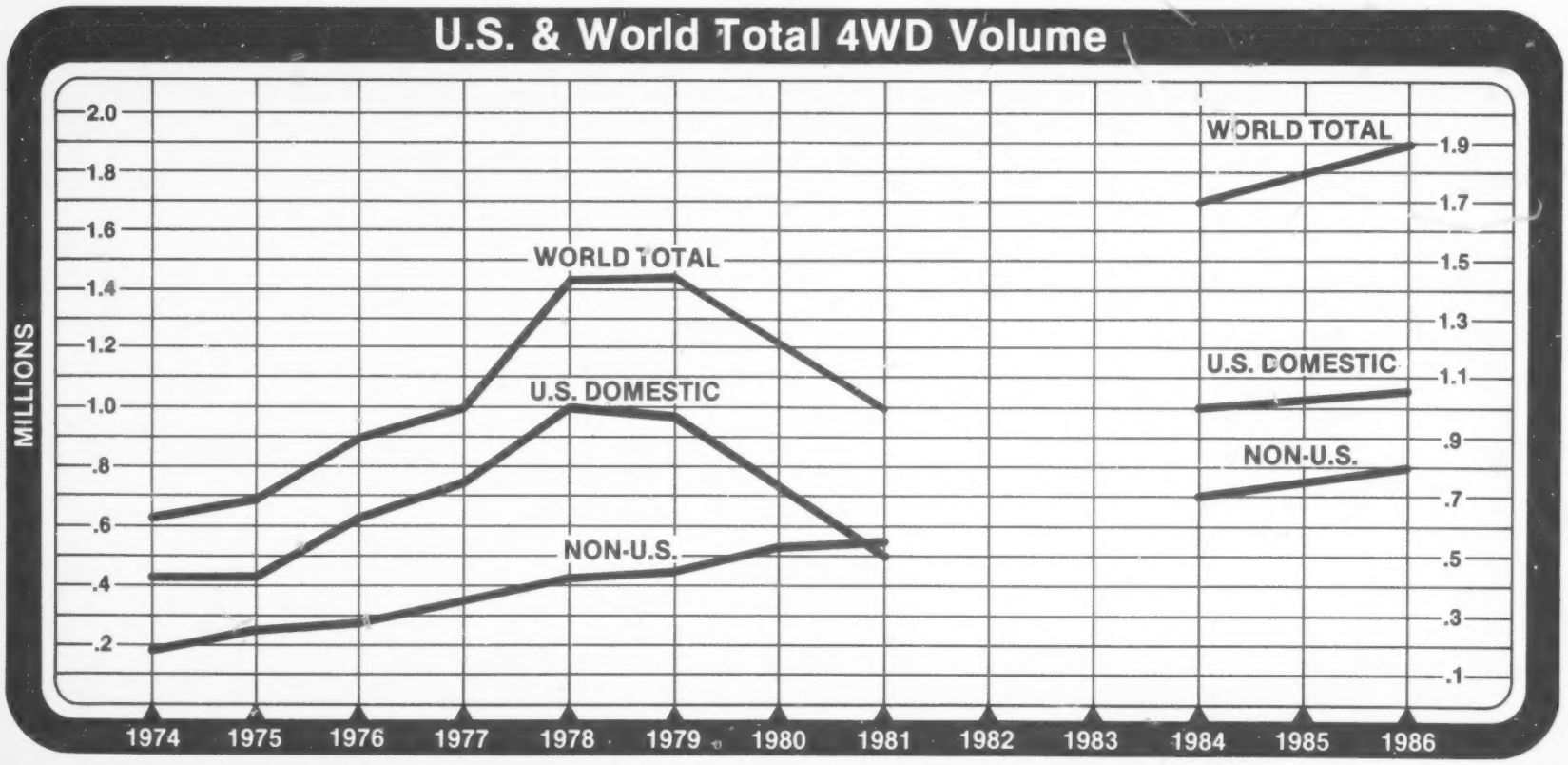
"They are passenger-car-body derivatives, and as their 2WD counterparts improve in efficiency, they should also gain. It is also important to note that, as passenger cars are downsized, the need for 4WD to meet adverse situations will increase," Lunn said.

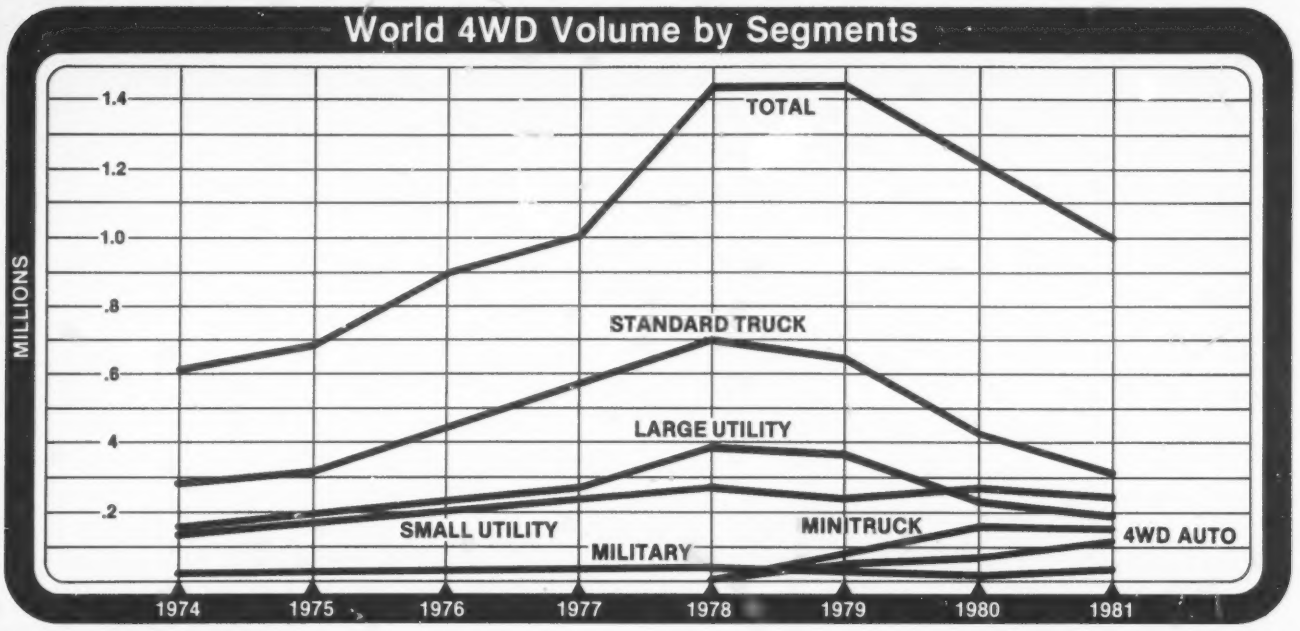
Because 4WD vehicles are now going through a produc- transition period similar to that of passenger cars, with design responding to fuel economy, Lunn sees new segments emerging, with some segments progressively replaced by downsized units, such as mini-trucks.

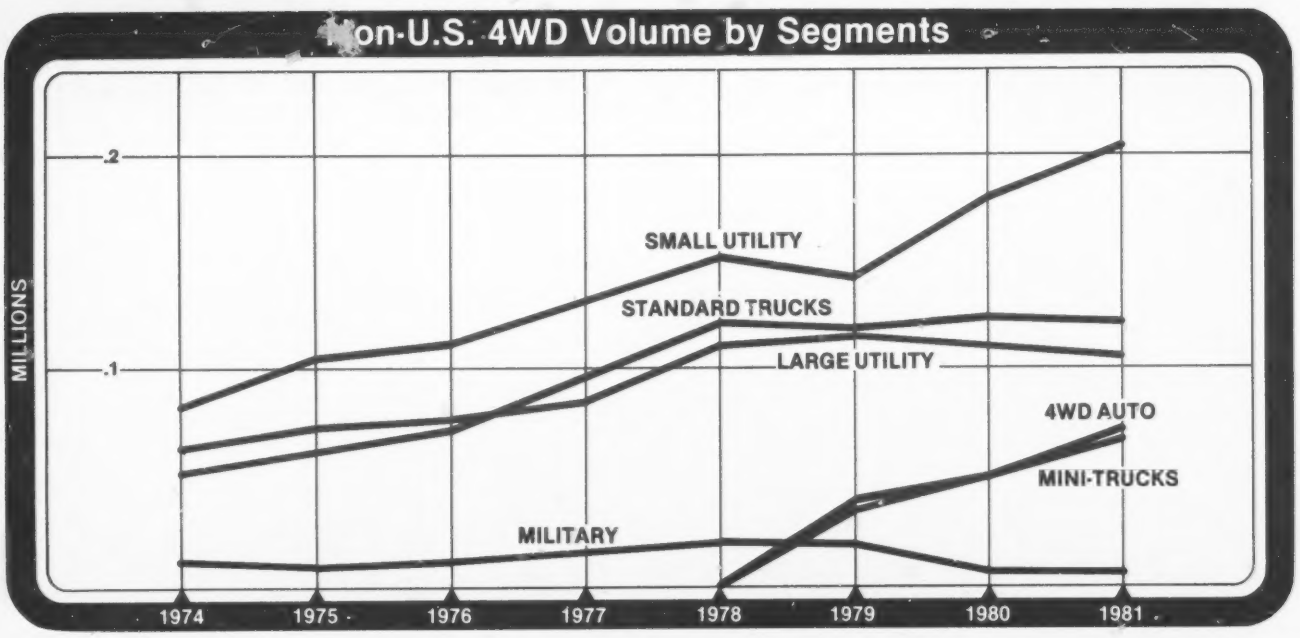
The AMC official said the U. S. market for 4WD will continue as predominantly multi-purpose, varying between utilitarian, recreational and general transportation, while non-U. S. will be highly utilitarian and an essential form of transportation.

The multipurpose aspects of

Continued on Page E-46, Col. 1







Can 4WD market stop spinning its wheels?

Continued from Page E-42

4WD, he added, are also likely to find expanding appeal in the international market.

"Fundamentally, the success of 4WD in the future will depend largely on product creativity," he said. "4WD vehicles are more complex, heavier, less fuel-efficient and more expensive than their 2WD counterparts, so to be competitive, they need outstanding functional capabilities."

The new vehicles that are emerging have to offer a wide range of capabilities and options to be an attractive choice to the purchaser, Lunn said.

"Marketing will be most important in re-establishing the U. S. 4WD market," he said. "Understanding these advantages and application in a simple form is vital from the level of the manufacturer right through to the salesman on the showroom floor."

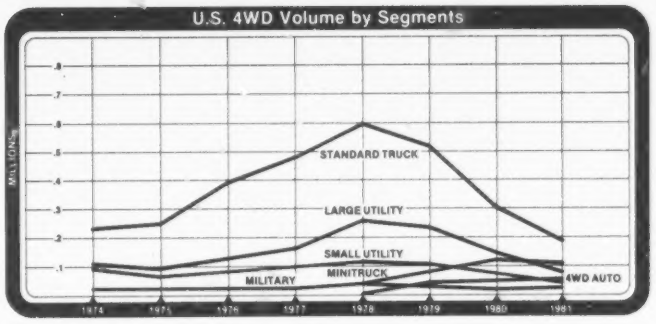
In predicting future markets, Lunn said that "short of a major happening, it can be assumed that the non-U.S. volumes will steadily increase."

"The U. S. market is somewhat more difficult to predict," he said. "The drastic reduction in volume in the last two years, a result of economic and energy factors, has diminished the 'drive-a-truck' fad and caused many people to choose alternative products. It is anticipated that as more-efficient models emerge, the market will be re-established. If the U. S. market can be re-established at the 1978 level by 1984, a total market of between 1.5 and 2.0 million vehicles is possible by the mid to late '80s."

Tansky expands, adds Ford line

LOGAN, O.—John P. Tansky, owner of Tansky Motors, Inc., has added a Ford Division franchise to his dealership. Tansky already handles Toyota, Chrysler, Plymouth, Dodge and Dodge Truck here.

Tansky owns a Toyota-Honda-Chrysler-Plymouth outlet in Zanesville, O., and a Toyota operation in Columbus. His first dealership was a Chrysler facility established in Logan in 1946.



DANDY deadline Nov. 25

BIRMINGHAM, Mich.—Entry deadline for the 9th annual Dealer Automotive Newspaper Display Advertising competition (DANDY) awards is Nov. 25, 1981, according to the Newspaper Advertising Bureau.

The DANDY awards are designed to recognize outstanding newspaper advertising by dealers and dealer associations.

Awards for the best campaign and best single ad will be given in three categories: For dealer associations, for individual dealers in large metropolitan markets and for individual dealers in smaller markets.

In addition, there are special awards for the best use of color and for the best ad or campaign by a dealer trade association or multi-line group.

Val Corradi, the bureau's vice president for automotive sales, said the special color award has attracted great interest recently because many dealers now use color on a regular basis.

"Our color entries doubled last year," he reported. Overall, Corradi expects more than 1,000 DANDY entries.

Entries may be on any phase of the dealer's business—new or used cars and trucks, leasing, service, dealer image, special promotions, or model cleanup—and must have run in any section of a daily or Sunday newspaper from Jan. 1 through Dec. 31, 1981. This includes 1982 announcement advertising.

The DANDY awards will be presented at the NADA convention in Atlanta, Feb. 20-23, 1982.

Women buyers should be sold as men are

Continued from Page E-8

views about women buyers, which are complicated and reinforced by the fact that women bring to the showroom their own self-doubts about buying, pricing and financing.

In interviewing women, the majority express a feeling that it's more difficult for a woman to buy a new car, that dealers treat women differently than they do men. Strangely enough, 76 percent of dealers say women are treated the same, although only 52 percent of women perceive it to be the case. Obviously, men aren't even aware of how they treat women customers. Research also shows that salesmen who treat women as serious buyers are more likely to make the sale.

Are there other dealer misconceptions about women buyers?

While dealers estimate that a mere 9 percent of single women shopping alone have a household income over $20,000, the truth is that 35 percent of these women have such household incomes, and more. In general, dealers appear to underestimate the influence of women on the car purchase decision.

Dealers say that 52 percent of purchases involve women and men shopping together. But women claim involvement in 85 percent of new-car purchases, a wide discrepancy.

This attitude also is reflected by comments from 37 percent of the women shopping with men: That dealers spend most of the time speaking to the male half of the buying team. Women deeply resent this.

Dealers, for the most part, still try to sell women on looks, color and comfort. When speaking to men, salesmen emphasize resale value, quality and mileage—things never mentioned to women.

The fact is that women buy cars for the same basic reasons men do. Durability, reliability, gas mileage, quality and price are the most important considerations. Things ranked much higher by women include dealer service, warranty and safety features.

Are showrooms themselves inviting to women?

A basic problem is that the showroom always has been a very male place; men's magazines lie around, calendars frequently have pictures of sexy women on them and all sorts of things are clearly directed to men.

What is being done to improve the art of selling to women?

Educational programs, including films on the subject, are starting for salespeople. Above all, the showroom image must change so women don't feel shut out by the obsessive masculinity that often permeates the place.

The important clue is to treat women as serious customers, which they are, and with the same degree of respect, helpfulness and common sense that would be applied to a male prospect. The best advice is: Don't be patronizing, don't assume her ignorance about cars, which is probably a false assumption. In a single sentence: Sell to women as you sell to men.

Virginia suit names Toyota

WASHINGTON.—Virginia has joined four other East Coast states and the District of Columbia in filing its own class-action suit aimed at forcing eastern Toyota dealers and Mid-Atlantic Toyota to reimburse Toyota buyers allegedly "forced" to pay for "protective packages" they did not necessarily want.

The suit names all the Toyota automobile dealers in Virginia and seeks restitution for about 12,000 Virginians who paid about $6 million for the undercoating package.

As in the suits filed by the Attorneys General of Pennsylvania, Delaware, Maryland, West Virginia and the District of Columbia, the Virginia suit alleges that as a result of a series of meetings between Mid-Atlantic Toyota, the distributor, and East Coast Toyota dealers, special rustproofing, soundproofing and a special exterior protective finish was applied on "substantially all" Toyotas handled by the distributor and dealers.

Customers were thereby forced to accept the $500 package even though they might not want it, the suit alleges.

The Virginia suit is expected to be consolidated with the others.

Model breakdown
Auction Averages

	SEPTEMBER TO DATE	AUGUST	JULY
1981	$8,511	$8,434	$7,619
1980	6,312	6,139	6,008
1979	5,222	5,122	5,000
1978	4,328	4,031	3,872
1977	3,179	3,160	3,142
1976	2,387	2,413	2,291
1975	1,546	1,567	1,606
1974	1,258	1,248	1,314
Overall Average	$4,868	$4,548	$4,398

Used car sales
Auction Averages

September to date	$4,668
Month ago	$4,669
Year ago	$3,366

factories list auction dates

American Motors

Sept. 8—Ohio Auto Auction, Grove City, O.; Metro Auto Auction of Kansas City, Inc., Lees Summit, Mo.

Sept. 9—Southern Auto Auction, Warehouse Point, Conn.; Sand Mountain Auto Auction, Boaz, Ala.

Sept. 10—Fredericksburg Auto Auction, Fredericksburg, Va.

Sept. 11—Concord Auto Auction, Acton, Mass.

Sept. 15—Aptco Auto Auction, Taylor, Mich.; D-A Auto Auction, New Stanton, Pa.

Sept. 17—Todd Auto Auction, Telford, Pa.

Sept. 18—Floyd Hauhe Auto Auction, Bridgeton, Mo.

Sept. 22—Ohio Auto Auction, Grove City, O.; Metro Auto Auction of Kansas City, Inc., Lees Summit, Mo.

Sept. 23—Southern Auto Auction, Warehouse Point, Conn.; Sand Mountain Auto Auction, Boaz, Ala.; South Seattle Auto Auction, Kent, Wash.

Sept. 24—Fredericksburg Auto Auction, Fredericksburg, Va.

Sept. 25—Concord Auto Auction, Acton, Mass.

Sept. 29—Aptco Auto Auction, Taylor, Mich.; D-A Auto Auction, New Stanton, Pa.

Sept. 30—Central States Auto Auction, Mason City, Ia. (tentative).

used-car auction directory

Display Rates: $53.00 per column inch (minimum space, 1 inch on 1 column). Listing Rates: (Maximum: Four lines of type - 1 time, $13.50; 13-times, $11.50, 26-times, $10.00, 52-times, $9.00. For Frequency Display Rates Contact Want Ad Dept., Automotive News, 965 E. Jefferson, Detroit 48207. Phone (313) 567-9520. Closing: 10 days in advance.

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Domestic makers build 396,393

August car output tops year-ago

By Patricia Hoffman
Staff Writer

With several assembly points down for model changeover last month, U. S. auto production in August was the lowest for any month since the comparable period last year.

Domestic auto production in August was 396,393 units, up 26.74 percent above the 312,758 units completed in the comparable month last year. It was, however, well below the 445,349 cars built in August, 1979.

The shortened work week last week due to the Labor Day holiday brought production down 27.60 percent from the 125,699 units completed in the previous week to 91,002. The total was also 27.61 percent below the 125,716 cars built in the comparable 1980 week.

Breakdown for August by company is: General Motors, 56.82 percent; Ford Motor, 27.86 percent; Chrysler Corp., 10.32 percent; Volkswagen of America, 3.73 percent; American Motors, 1.24 percent and Checker Motor, 0.03 percent.

Year-to-date output for the auto manufacturers is 4,713,857 units, up 7.38 percent from 4,389,977 in the comparable period last year.

Cadillac's Detroit home plant returned to two-shift operations last week (Sept. 8).

Ford's Dearborn assembly point, down one week for inventory adjustment, resumed work last week.

VW's Westmoreland facility, down for changeover/inventory adjustment since Aug. 28, will remain down this week with operations resuming Sept. 21.

Saturday overtime was scheduled last week (Sept. 12) at Fords Metuchen point.

GM's Janesville facility resumed operations last week (Sept. 8) following model changeover. The point closed Aug. 7.

Chrysler's Jefferson assembly point has scheduled downtime beginning today (Sept. 14). The plant is slated to resume operations Sept. 21, with production of the Plymouth Reliant, Dodge Aries and the new front-wheel-drive Chrysler LeBaron.

General Motors again delays on-again-off-again P-car

Continued from Page 2

are a painful step for GM. "Once they plant the flag, they like to go," he said.

Arthur Davis, Prescott, Ball & Turben auto analyst, agreed that GM is moving to conserve capital and cash-flow in the face of lagging sales, but also said he believes GM is re-evaluating its market strategy.

"The X-car is dead, the J-car is dying and I think GM is looking to play it safe," Davis said. "GM must find profitability in big numbers," he said referring to high-volume models.

Davis, who believes the 1983 U. S. auto market will be a "shootout" among domestic and imported small cars, said GM may be more inclined to put a little into the Camaro/Firebird line rather than a lot into a new line which will face overwhelming competition.

"It looks like the P-car would have to be priced at $12,000, particularly if they put a little engine technology into it to give it performance," he said.

Davis said the EXP/LN7 cars from Ford are in the same "econobox - sports car" market segment and have probably given GM a little education because they are underpowered and have not sold as well as originally anticiapted.

General Motors said it does not discuss product plans that far in advance and had no comment.

MacDonald named

DEARBORN. — Malcolm S. MacDonald has been named an assistant treasurer for Ford Motor Co., succeeding Ben H. Vanden Belt Jr., who has retired. MacDonald formerly was assistant controller of Ford International Automotive Operations financial analysis.

Truck production tops 1980 with 88,693 for month

Domestic truck production in August exceeded that of last year, but the total was the lowest for any month since August of 1980.

The truck makers completed 88,693 units in August, a 13.04 percent gain over the 78,464 trucks completed in the comparable 1980 month, and the most for the month since 138,846 units were completed in August, 1979. The total, however, feeling the affects of the 1982 model changeover period, was the lowest for any month in the past 12.

Despite the shortened work week due to the Labor Day holiday, truck production last week rose slightly above the previous week's output.

Truck production last week was targeted at 27,328 units, up 1.16 percent above the 27,014 trucks in the previous week, but down 12.75 percent from the 31,322 units in the comparable week last year.

Year-to-date output for the truck makers is 1,194,764 units, up 13.21 percent from 1,055,374 in the comparable period last year.

GM's Flint facility (lines one and two) resume today (Sept. 14) after being down Sept. 2 due to a parts shortage.

Chrysler's Warren truck facility will close today (Sept. 14) for inventory adjustment. The plant is scheduled to resume operations Sept. 21.

August a month of contrasts for Canadian makers

Canadian auto production in August was the highest for the month since 1978, but it was also the lowest for any month since January of this year.

The Canadian manufacturers produced 48,056 cars in August, a gain of 33.32 percent from the 36,046 assembled in the comparable month last year, and the most for the month since 67,354 in August of 1978.

Auto production last week was scheduled at 11,958 units, up 15.28 percent from 10,373 the previous week, due to the reopening of General Motors' Oshawa No. 1 car facility.

The total for the week, however, fell 20.16 percent below the 14,977 units in the comparable week last year.

Year-to-date output for the auto manufacturers is 586,992 units, up 2.68 percent above 571,657 units in the comparable period last year.

Canadian truck production in August was 31,319 units, the most for the month since 31,930 in 1976, and the total was 18.53 percent above the 26,422 built in the comparable month last year.

Last week, the truck makers scheduled 9,757 units, down 3.04 percent from 10,063 the previous week, and down 5.97 percent from 10,377 in the comparable week last year.

Year-to-date output for the makers was 366,946 units, a gain of 4.76 percent over the 350,288 units in the comparable period last year.

TRUCK PRODUCTION IN U. S.†

	Week Ended Sept. 12, 1981	Week Ended Sept. 13, 1980	Week Ended Sept. 5, 1981	Aug. Total	Jan. 1 to Sept. 13, 1980	Jan. 1 to Sept. 12, 1981
CHEVROLET	4,748	6,710	5,507	6,177	307,002	346,248
DODGE/PLYMOUTH	1,700	2,600	2,120	7,656	93,275	68,978
FORD	12,488	14,427	11,386	44,536	378,481	448,867
GMC	3,342	2,429	2,951	5,228	109,239	124,163
INTERNATIONAL	1,600*	1,985	1,600*	6,715	43,944	53,076*
MACK	.....	400	.....	.....	16,834	.....
JEEP	2,000*	1,905*	2,000*	8,422	53,265*	72,188
AMC CORP.	50*	238*	50*	210	5,198*	2,886
VOLKSWAGEN	1,400*	628*	1,400*	5,880	27,953	47,320
MISCELLANEOUS	.....	.....	.....	3,869	20,183	31,038
Total Trucks, U. S.	27,328	31,322	27,014	88,693	1,055,374	1,194,764

CANADIAN TRUCK PRODUCTION

	Week Ended Sept. 12, 1981	Week Ended Sept. 13, 1980	Week Ended Sept. 5, 1981	Aug. Total	Jan. 1 to Sept. 13, 1980	Jan. 1 to Sept. 12, 1981
CHRYSLER CORP.	1,600	1,600	2,003	9,190	32,472	58,670
FORD MOTOR	3,135	4,152	2,792	8,884	126,951	104,851
GENERAL MOTORS	4,814	4,110	5,002	12,189	165,569	195,283
AMERICAN MOTORS	.....	.....	.....	.....	11,644	.....
INTERNATIONAL	208	475	266	1,056	12,069	8,142
MACK	.....	40	.....	.....	1,583	.....
Total Trucks, Canada	9,757	10,377	10,063	31,319	350,288	366,946
N. American Trucks	37,085	41,699	37,077	120,012	1,405,662	1,561,710

†—Now includes window van production. *—Estimated.
Jeep includes commercial vehicles only. AM General includes government-destined vehicles.
AM General will no longer be figured in with North American trucks.

U. S. CAR PRODUCTION

	Week Ended Sept. 12, 1981	Week Ended Sept. 13, 1980	Week Ended Sept. 5, 1981	Aug. Total	Jan. 1 to Sept. 13, 1980	Jan. 1 to Sept. 12, 1981
AMERICAN MOTORS	2,000*	3,571*	2,000*	4,921	121,226*	93,572*
AMX	.....	.....	.....	.....	.....	.....
Spirit	.....	.....	.....	.....	.....	.....
Concord	.....	.....	.....	.....	.....	.....
Eagle	.....	.....	.....	.....	.....	.....
Pacer	.....	.....	.....	.....	.....	.....
CHRYSLER CORP.	11,900	11,850	15,168	40,877	409,105	569,760
Plymouth Total	6,400	5,400	9,025	21,131	186,319	296,836
Horizon	2,400	3,300	3,378	10,777	111,911	114,878
Reliant	4,000	2,000	5,647	10,354	4,772	172,371
Volare	.....	.....	.....	.....	51,740	.....
Caravelle	.....	100	.....	.....	4,585	2,139
Gran Fury	.....	.....	.....	.....	13,311	7,448
Chrysler Total	350	1,300	.....	.....	54,356	22,448
LeBaron	350	1,300	.....	.....	42,850	17,586
Chrysler	.....	.....	.....	.....	11,516	4,862
Dodge Total	5,150	5,150	6,143	19,746	168,420	250,476
Omni	2,100	2,800	2,502	10,723	95,923	98,986
Aspen	.....	.....	.....	.....	36,899	.....
Aries	2,800	1,650	3,641	9,023	3,922	134,914
Diplomat	.....	700	.....	.....	20,952	12,644
Dodge 400	250	.....	.....	.....	.....	250
St. Regis	.....	.....	.....	.....	10,724	3,682
FORD MOTOR	27,371	29,215	26,425	110,450	855,246	984,634
Ford Division	18,719	19,585	17,920	74,899	619,282	672,103
Escort	8,038	3,919	9,199	31,656	10,039	257,579
Pinto	.....	.....	.....	.....	68,179	.....
Fairmont	2,665	2,834	3,672	12,189	162,414	139,541
Must./Must. II	3,361	5,310	.....	15,289	172,003	115,775
Granada	3,035	2,899	3,396	9,571	59,310	66,692
Thunderbird	1,420	2,939	1,653	6,194	84,614	51,630
Ford	.....	1,684	.....	.....	62,723	40,886
L-M Division	8,652	9,630	8,505	35,551	235,964	312,531
Mercury Total	7,720	7,973	7,447	31,650	207,068	271,317
Bobcat	.....	.....	.....	.....	12,445	.....
Lynx	2,536	1,282	2,639	11,407	3,298	88,887
Capri	896	1,746	.....	4,412	51,199	39,651
Zephyr	806	1,017	951	3,373	52,731	42,133
Cougar/Monarch	1,117	.....	1,352	3,859	16,409	32,274
XR-7	1,100	2,636	1,191	3,273	35,144	24,537
EXP	22	.....	.....	.....	.....	22
Mercury	1,223	1,292	1,314	5,326	35,842	43,793
LN7	20	.....	.....	.....	.....	20
Lincoln Total	932	1,657	1,058	3,901	28,896	41,214
Continental ('82)	275	.....	234	423	.....	988
Lincoln	342	751	417	1,664	11,903	19,651
Mark VI	315	906	407	1,814	15,132	20,575
Versailles	.....	.....	.....	.....	1,861	.....
GENERAL MOTORS	49,706	80,993	82,081	225,235	2,860,157	2,942,534
Buick Division	8,862	14,842	34,632	59,177	547,794	653,529
Skylark	.....	3,735	23,801	22,548	156,858	209,276
Skyhawk J	.....	.....	.....	.....	.....	.....
Century	.....	3,372	.....	.....	117,800	86,881
Regal	4,384	4,210	5,555	21,496	141,572	189,707
Buick	3,229	2,605	4,055	14,423	101,938	118,912
Riviera	1,249	920	1,221	710	29,626	48,753
Cadillac Division	4,867	4,385	3,771	5,408	135,411	184,995
Cimarron	800	.....	1,016	4,425	.....	15,016
Seville	496	960	465	266	23,210	17,101
Eldorado	1,076	1,305	1,030	561	35,888	42,662
Cadillac	2,495	2,120	1,260	156	76,313	110,216
Chevrolet Division	19,102	37,180	21,619	100,303	1,234,524	1,093,296
Chevette	5,581	6,935	6,716	30,324	329,598	252,544
Cavalier	3,395	.....	4,329	19,752	.....	70,255
Monza ('80)	.....	3,135	.....	.....	120,836	.....
Camaro	.....	2,420	.....	.....	86,640	87,694
Citation	.....	9,890	5,497	24,664	328,263	255,934
Malibu	2,639	7,065	2,507	7,839	183,020	174,953
Monte Carlo	4,127	4,535	2,508	6,363	71,493	104,673
Chevrolet	2,760	2,400	.....	9,491	83,471	125,350
Corvette	600	800	62	1,870	31,203	21,893
Oldsmobile Division	9,880	11,961	11,210	21,867	535,810	628,542
Omega	.....	1,905	.....	.....	82,706	109,277
Cutlass	3,840	4,901	4,804	13,270	269,482	293,401
Oldsmobile	5,276	4,660	5,645	8,202	157,476	194,269
Toronado	764	495	761	395	26,146	31,595
Pontiac Division	6,995	12,625	10,849	38,480	406,618	382,172
Acadian†	250	490	684	1,399	15,787	16,163
J2000	2,205	.....	2,679	13,517	.....	48,557
Sunbird ('80)	.....	3,265	.....	.....	106,285	.....
T1000	1,916	.....	2,515	9,887	.....	61,896
Firebird	.....	1,490	.....	.....	56,135	43,468
Phoenix	.....	2,455	1,672	7,995	100,753	81,812
Grand Prix	1,312	2,555	1,606	2,605	45,272	73,437
Bonneville G ('82)	1,312	.....	1,693	3,077	.....	4,748
LeMans	.....	1,430	.....	.....	40,294	42,027
Pontiac	.....	940	.....	.....	42,092	10,064
VOLKSWAGEN	.....	.....	.....	14,780	142,169	121,813
CHECKER	25*	87*	25*	130	2,074	1,544
Total Cars, U. S.	91,002	125,716	125,699	396,393	4,389,977	4,713,857

CANADIAN CAR PRODUCTION

	Week Ended Sept. 12, 1981	Week Ended Sept. 13, 1980	Week Ended Sept. 5, 1981	Aug. Total	Jan. 1 to Sept. 13, 1980	Jan. 1 to Sept. 12, 1981
AMERICAN MOTORS	690	.....	705	1,811	.....	23,732
CHRYSLER CORP.	2,232	2,400	2,699	7,353	48,900	41,671
FORD MOTOR	2,522	1,520	2,173	26,586	178,388	160,553
GENERAL MOTORS	6,514	10,832	4,571	12,066	337,361	354,031
VOLVO	.....	225	225	240	7,008	7,005
Total Cars, Canada	11,958	14,977	10,373	48,056	571,657	586,992
N. American Cars	102,960	140,693	136,072	444,449	4,961,634	5,300,849
N. American Trucks	37,085	41,699	37,077	120,012	1,405,662	1,561,710
North American Cars and Trucks	140,045	182,392	173,149	564,461	6,367,296	6,862,559

†—All Acadians and Caravelles are built for sale in Canada. *—Estimated.